

- J. RECONVENE AS COMMITTEE OF THE WHOLE

- K. OTHER MATTERS

- 1. Report of the Board for Lease of University Lands

REPORT

The Board for Lease of University Lands met on May 16, 2002, in the 6th Floor Conference Room of the Colorado Building, 702 Colorado Street, Austin, Texas, for a general business meeting. The Regular Oil and Gas Lease Sale No. 101 bid opening was held on May 15, 2002, at the Center for Energy and Economic Diversification in Midland, Texas.

Following is a report on the result of the lease sale:

Regular Oil and Gas Lease Sale No. 101: Total bonuses received in the amount of \$1,172,332.27 for 8,938 acres (36 tracts) leased; single highest bid was \$141,129.08 (\$406.01/acre) for a 347.600-acre tract in Schleicher County; 37,666.309 acres (163 tracts) were nominated for lease. In accordance with the rules of the Board for Lease of University Lands, the bid received for Tract No. 82 was rejected because the check submitted did not meet the mandatory minimum bonus.

Following is a report on the general business meeting:

- a. Approval of the Minutes of the November 2001 meeting of the Board for Lease of University Lands

- b. Approval of lease procedures and terms for Regular Oil and Gas Lease Sale No. 102 to be held in November 2002

- c. Forfeiture of University Lease Nos. 32143, 70801, 82645, 82646, 95960, 95964, 95970, and 97353, Andrews County, Texas, effective June 15, 2002, due to lessee's failure to timely pay sums due under the leases and, additionally and

independently, due to lessee's failure to provide required lease production information. The forfeited leases will be reinstated if the lessee assigns to The University of Texas System its rights to all oil and gas produced from any forfeited lease until all sums due under all forfeited leases have been paid and brings the forfeited leases into full compliance to the satisfaction of the Executive Director of University Lands, West Texas Operations by July 16, 2002

- d. Executive Session pursuant to authority granted under Texas Government Code Section 551.071 regarding pending or contemplated litigation in relation to the forfeiture docket item
- e. Report on the management of the royalty in-kind programs including updates on the General Land Office's State Power Program.

The bids for Regular Oil and Gas Lease Sale No. 102 are scheduled to be opened at the Center for Energy and Economic Diversification in Midland, Texas, on November 19, 2002. The next regularly scheduled meeting of the Board for Lease of University Lands and lease awards is tentatively scheduled in Austin, Texas, on November 20, 2002. However, to accommodate the Board, the time, location, and date (between November 20 and November 22) of this meeting are subject to change.

2. U. T. Board of Regents: Recommendation on Santa Rita Award

RECOMMENDATION

Chairman Charles Miller will make a recommendation on selection of a recipient for the Santa Rita Award.

3. U. T. Board of Regents: Presentation of Certificate of Appreciation to Mr. Armando Diaz for His Service to The University of Texas System

4. U. T. Board of Regents: Presentation of Certificate of Appreciation to Mr. R. D. Burck for His Service to The University of Texas System

L. ADJOURNMENT