

Austin, Texas
 January 10, 1958
 Meeting No. 566

A regular meeting of the Board of Regents of The University of Texas was held in the Office of the President, Main Building, Austin, Texas, on Friday, January 10, 1958, at 9:30 a. m. , with the following in attendance:

<u>Present</u>	<u>Absent</u>
Chairman Jeffers	(See Page <u>2</u> .) (Page 438)
Vice-Chairman Sorrell	Regent Bryan
Regent (Mrs.) Devall	
Regent Hardie	
Regent Johnson	
Regent Lockwood	
Regent Minter	
Regent Thompson	
President Wilson	
Secretary Thedford	

LAND AND INVESTMENT COMMITTEE MATTER

WAIVER OF PREFERENTIAL RIGHT TO PURCHASE VETERANS' LAND BONDS FOR THE PERMANENT UNIVERSITY FUND. --At the request of Chairman Jeffers, Vice-Chairman Sorrell presented to the Board for ratification and for record purposes the following action that had been approved by all members of the Board by mail ballot prior to December 16, 1957:

The University of Texas is one of the state agencies having preference right under the Constitution and statutes to purchase new issues of Veterans' Land Bonds. The Veterans' Land Board has notified the University that it will open bids on December 16, 1957, for \$12,500,000 State of Texas Veterans' Land Bonds. The Board requested that the Regents be polled by mail in order that the Veterans' Land Board could be notified by December 16 whether the Regents intended to waive the preference right at its next meeting on January 10 and 11, 1958.

Upon motion of Vice-Chairman Sorrell, seconded by Doctor Minter, the Board ratified the foregoing action and authorized the Secretary of the Board to execute a waiver of its preferential right to purchase State of Texas Veterans' Land Bonds, Series 1957, in the amount of \$12,500,000, when it has been approved as to subject matter by Endowment Officer Stewart and as to form by Attorney Waldrep.

Vice-Chairman Sorrell pointed out that the recommendation of Endowment Officer Stewart for a blanket waiver by the Board of Regents of any bond issued under the Constitutional Amendment approved at the General Election, November, 1956, would be considered at the time when the formal report of Land and Investment matters is considered.

(See Page 22 .)
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RECESS. --The Board recessed at 9:45 a. m. to participate in the celebration of the 75th Anniversary and to reconvene on Saturday, January 11, at 1:00 p. m. (See Page 6.)
(Page 442)

COMMITTEE OF THE WHOLE. --A meeting of the Committee of the Whole was held in the President's Office, Saturday, January 11, 1958, at 9:00 a. m. with the Chairman presiding and the following in attendance:

Present

Chairman Jeffers
Vice-Chairman Sorrell
Regent (Mrs.) Devall
Regent Bryan
Regent Hardie
Regent Johnson
Regent Minter
Regent Thompson
President Wilson
Secretary Thedford

Absent

Regent Lockwood

The chairman of each committee was given the opportunity to present for discussion any items that had been considered by his committee which he thought should properly come before the full Board for further deliberation. As soon as the Regents had completed these items, each institutional head was likewise given an opportunity to come into the meeting and to discuss comparable matters relating to his institution.

The following is a Report of the Committee of the Whole:

ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE

Mrs. Devall, Chairman of the Academic and Developmental Affairs Committee, reported a meeting of the committee with President Wilson, Vice-President Haskew, Assistant to the President Cox, and Vice-President and Provost Ransom. During the course of the meeting, Doctor Ransom announced that it is his plan to furnish to the members of the Board through proper channels a monthly report on the academic and developmental affairs at the Main University.

Prior to the meeting each Regent was furnished in the Material Supporting the Agenda: (1) documentation on a proposal for The University of Texas' participation for operation of an educational television station over Channel 9* and (2) the recommendation of the administration regarding a construction permit for FM educational radio broadcasting station at Main University.

THE UNIVERSITY OF TEXAS' PARTICIPATION IN OPERATION OF AN EDUCATIONAL TELEVISION STATION OVER CHANNEL 9*. --Upon motion of Mrs. Devall, seconded by Mr. Thompson, the Board adopted the recommendation of the Academic and Developmental Affairs Committee that the proposal below be approved with the understanding that: (1) the proposal does not authorize the establishment or operation of an educational television station and (2) the Board of Regents will review and act upon both financial and contractual arrangements before such arrangements become operative.

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1. The charter of the San Antonio Council, a non-profit corporation, will be amended to:
 - a. Change its name to Central Texas Council on Educational Television.
 - b. Add members (individuals, not institutions) from educational agencies within the territory served. Membership to be based upon application and acceptance by the Board of Governors.
 - c. Provide that all affairs of the Corporation will be under control of a Board of Governors of 25 persons, eight to be named by the Board of Regents of The University of Texas, eight by the Bexar County agencies, eight by vote of the entire membership, and one by the State Commissioner of Education.
 - d. Direct the Board of Governors to contract with an educational institution (by implication The University of Texas) to furnish equipment, management, and production services for operating the station. (Note: "Equipment" does not include real property.)
2. The application for a construction permit now pending before the Federal Communications Commission will be amended to show the new corporative structure.
3. The Corporation will undertake to raise, in its own name, enough money to purchase the site, erect a transmitter building and the antenna. These items will be owned by the Corporation, not the University.
4. The Development Board will solicit, on behalf of the University, gifts to an educational television fund. This fund, when large enough to assure operation, will defray capital and current expense for an internal administrative agency (e. g. Educational Television Service) for the purchase of equipment, payment of salaries, etc. This agency will also receive regular payments for service from school systems, colleges, etc. It will operate the contract with the Council. Note that no funds or property of the University will pass to the Council, and we can withdraw from the enterprise at any time by contract termination.

It was pointed out that the above proposal for joint operation with the San Antonio Council of an Educational Television Station over Channel 9* has been approved by the San Antonio Council contingent upon approval of the Board of Regents.

APPLICATION FOR CONSTRUCTION PERMIT FOR FM EDUCATIONAL RADIO BROADCASTING STATION AT MAIN UNIVERSITY. --Upon motion of Mrs. Devall, seconded by Mr. Thompson, the Board adopted the following resolution as recommended by the Academic and Developmental Affairs Committee:

RESOLVED, That President Logan Wilson is hereby authorized to execute on behalf of The University of Texas an application to the Federal Communications

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Commission for a construction permit for an FM educational radio station at the Main University in Austin.

BUILDINGS AND GROUNDS MATTERS

In the absence of Mr. Lockwood, Chairman of the Buildings and Grounds Committee, Mrs. Devall presented the following items that had been considered, but not finally acted upon, by the Buildings and Grounds Committee:

SELECTION OF ASSOCIATE ARCHITECT, GOLEMON AND ROLFE, HOUSTON, TEXAS, EXPANSION OF TEXAS UNION BUILDING, MAIN UNIVERSITY. --Mrs. Devall stated that the report of the Buildings and Grounds Committee to be presented at the regular session of the Board contained the recommendation for the approval of preliminary plans for expansion of Texas Union Building, Main University, and for the appointment of an Associate Architect of this expansion. (See Page 8.) With this in mind, the Committee of the Whole gave due consideration to a list of architectural firms, jointly recommended by Comptroller Sparenberg and Consulting Architect Page, Southerland and Page, for an Associate Architect. Vice-Chairman Sorrell moved that the architectural firm of Golemon and Rolfe of Houston be selected as Associate Architect for the expansion of Texas Union Building, Main University, and that Comptroller Sparenberg be authorized to negotiate the contract to be approved as to form by Attorney Waldrep and to be executed by Chairman Jeffers and by the firm of Golemon and Rolfe. This motion was duly seconded and carried. See Page 444

AWARD OF CONTRACT FOR MOVABLE FURNITURE AND EQUIPMENT FOR KINSOLVING DORMITORY, MAIN UNIVERSITY. --Upon motion of Mrs. Devall, seconded by Vice-Chairman Sorrell, the following report and recommendations of the Comptroller, concurred in by Vice-President Dolley and President Wilson, to the Regents' Buildings and Grounds Committee were adopted: See Page 489, and 619

In accordance with authorization given at the Regents' Meeting held November 21, 1957, the Special Committee appointed at that meeting approved the plans and specifications for Furniture and Equipment for Kinsolving Dormitory, Main University, and Comptroller Sparenberg advertised for bids, which were received, opened, and tabulated on January 7, 1958. (See Page 53.) It is recommended that the action of the Special Committee in approving these plans and specifications be ratified by the Board.

These bids have been considered by members of the Division of Housing and Food Service of the Main University and the Comptroller's Office, and Comptroller Sparenberg makes the following recommendations, which are concurred in by Vice-President Dolley and President Wilson:

1. That a contract for Mattresses (Base Bid A) be awarded to the low bidder, as follows:

Parker Bedding Company	
Houston, Texas	\$25,004.40

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2. That a contract for the remainder of the movable furniture and equipment (Base Bid B) be awarded to the lowest acceptable bidder, as follows:

The Abel Stationers,
Austin, Texas \$138,165.60

An appropriation of \$215,000.00 was approved sometime ago by the Board for the Movable Furniture and Equipment for Kinsolving Dormitory, and it is believed that the award of the contracts as recommended above will leave a sufficient balance to take care of other items of equipment which will be purchased later by purchase order.

CONSTRUCTION OF ADDITIONAL FACILITIES ON NORTH SIDE OF SERVICE BUILDING, MAIN UNIVERSITY. --Upon motion of Mrs. Devall, seconded by Mr. Johnson, the following report and recommendations of the Comptroller to the Regents' Buildings and Grounds Committee were adopted:

For several years, it has been considered desirable by many members of the staff, including the President, the Chairman of the Main University Faculty Building Committee, and the Business Manager of the Main University, to move the physical plant shops remaining in the Press Building. Since the most convenient location would be in close proximity to the Service Building where the other shops are housed, the Main University Physical Plant staff has developed a plan of simple construction of some 4500 square feet of shop and storage facilities to be located immediately north of the present Service Building. It is estimated that the cost of this project will be approximately \$28,000.00 if the work is performed by the Physical Plant staff and approximately \$35,000.00 if the work were to be performed by outside contractors. There are also some materials on hand which can be used if the work is performed by the Physical Plant staff, which will make it unnecessary to request an appropriation in the full amount of the estimated cost.

Preliminary drawings prepared by the Physical Plant staff have been reviewed by the Main University Business Manager, the Comptroller's Office, and the President's Office, and it is recommended that an appropriation of \$25,000.00 be made from the Unappropriated Balance of the Available University Fund to a new account to be entitled "Construction of Additional Facilities on North Side of Service Building", to be set up in the Main University Section of the Central Administration accounts for the Available University Fund. It is further recommended that the Main University Physical Plant staff be authorized to do this work, and that the preliminary drawings approved

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by the Main University Business Manager, the Comptroller's Office, and the President's Office, be approved by the Board. It is further recommended that the Comptroller be authorized to give final approval to working drawings and specifications prepared for this project.

ATTENDANCE. -- Vice-President Dolley, Assistant to the President Cox, and Vice-President and Provost Ransom came into the meeting.

MAIN UNIVERSITY

GRADUATE EDUCATION AND RESEARCH, APPROPRIATION FROM GENERAL FUNDS, UNAPPROPRIATED BALANCE. -- The Board considered the special proposals on graduate education and research development which Vice-President and Provost Ransom distributed at the meeting. In these proposals, with the approval of President Wilson, Vice-President and Provost Ransom requested for 1957-58 budget items a total appropriation of \$325,000 from the General Funds, Unappropriated Balance.

Upon motion of Mr. Thompson, seconded by Doctor Minter, the Board appropriated from the General Funds, Unappropriated Balance, the following to the 1957-58 budget items:

Special Equipment	\$187,000
University Research Institute	59,000
1958 Summer School	79,000

CENTRAL ADMINISTRATION

SCHEDULED MEETINGS OF THE BOARD. -- The Board scheduled the following meetings in Austin:

March 14 and 15, 1958
 April 9, 1958 (A joint dinner session with the University Development Board. Doctor Henry T. Heald, President of the Ford Foundation, will discuss the work of foundations in general.)
 April 19, 1958

ADJOURNMENT. -- The Committee of the Whole adjourned at 12:30 p. m.

REGULAR SESSION. -- The Board reconvened in regular session at 1:15 p. m. with the same attendance as at the morning session.

Also in attendance were Vice-President Casberg, Vice-President Dolley, Vice-President Haskew, Assistant to the President Cox, Comptroller Sparenberg, Endowment Officer Stewart, Doctor Clark, Doctor Gill, Doctor Holcomb, Mrs. Birath (representing Doctor Olson), Doctor Ransom, Doctor Taylor, Doctor Truslow, and other representatives of the University.

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REPORT OF INTERIM ACTIONS, EXECUTIVE COMMITTEE (BUDGETARY ITEMS). --The following report of the Executive Committee, a copy of which was in the Material Supporting the Agenda, was adopted upon motion duly made and seconded:

During the period November 6, 1957, through December 20, 1957, the Executive Committee by individual vote, upon the recommendation of President Wilson, approved by mail three budgetary items (one each for the Dental Branch, M. D. Anderson Hospital and Tumor Institute, and Southwestern Medical School). These are reported in the dockets.

This report is submitted to the full Board for information since these items will be ratified in the adoption of the docket dated January 2, 1958.

REPORT OF BUILDINGS AND GROUNDS COMMITTEE (See Page 11 for Adoption). --In the absence of Mr. Lockwood, Chairman Jeffers called on Comptroller Sparenberg for the report of the Buildings and Grounds Committee. He presented the following report: See Page 447.

RATIFICATION OF AWARD OF CONTRACTS FOR COMPLETION OF THIRD AND FOURTH FLOORS IN EAST END OF EXPERIMENTAL SCIENCE BUILDING, MAIN UNIVERSITY. --In accordance with authorization given at the Regents' Meeting held May 4, 1957, Comptroller Sparenberg approved the working drawings and specifications for the Completion of the Third and Fourth Floors in the East End of the Experimental Science Building at the Main University, and advertised for bids on this project to be received on December 18, 1957. On this date these bids were received, opened, and tabulated as shown on Page 52. After thorough consideration of the bids, the Special Committee appointed by the Board at the meeting held May 4, 1957, to award contracts for this project, made awards as follows: See Page 488.

General Contract:

W. D. Anderson Company, Austin, Texas	\$ 59,000.00
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Plumbing, Heating, Air Conditioning
and Ventilating Contract:

J. M. Boyer, Mechanical Contractor, Austin, Texas	83,409.00
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Electrical Contract:

Walter A. Tew Electric, Austin, Texas	23,582.00
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Laboratory Equipment Contract:

Metalab Equipment Company, Div. of Norbut Corporation, Hicksville, L. I., New York	<u>22,669.00</u>
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Total Contract Awards	<u><u>\$188,660.00</u></u>
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In each case except the General Contract, these contract awards were made to the low bidder. In the case of the General Contract, the award was made to the lowest acceptable bidder. The total of the contract awards, plus Engineers' Fees in the amount of 3% of the Electrical and Plumbing, Heating, Air Conditioning, and Ventilating Contracts, is within the \$200,000.00 appropriation made for this project.

It is recommended that the actions taken by Comptroller Sparenberg in approving the working drawings and specifications and by the Special Committee in awarding contracts as listed above be ratified by the Board.

APPROVAL OF FINAL PLANS AND SPECIFICATIONS FOR ADDITION See Page 623.
TO PHYSICS BUILDING, MAIN UNIVERSITY. --In accordance with authorizations given by the Board, final working drawings and specifications for the Addition to the Physics Building have been prepared by the Associate Architect, Fehr and Granger. These plans and specifications have now been approved by the Chairman of the Physics Department, the Faculty Building Committee, Comptroller Sparenberg, Vice-President Ransom, and President Wilson. It is recommended that they be approved by the Board and that Comptroller Sparenberg be authorized to advertise for bids on this project to be presented to the Board for consideration at the next meeting.

APPROVAL OF PRELIMINARY PLANS FOR EXPANSION OF TEXAS See Page 621.
UNION BUILDING, MAIN UNIVERSITY. --In accordance with authorization given at the Regents' Meeting held June 29, 1957, preliminary plans for the Expansion of the Texas Union Building at the Main University have been prepared by the Consulting Architect, Page, Southerland, and Page. These plans have been approved by Doctor William Livingston, Chairman, for the Union Building Committee, the Main University Faculty Building Committee, Vice-President Ransom, Comptroller Sparenberg, and President Wilson. It is recommended that they be approved by the Board so that they may be used in preparing the final application to Housing and Home Finance Agency which is due to be presented to that agency by January 22, 1958.

It is further recommended that the Board appoint an Associate Architect and authorize the preparation of working drawings and specifications after receipt of final commitment of funds from Housing and Home Finance Agency. (See Page 4 .)
(Page 440)

PAINTING IN MAIN BUILDING AT THE MAIN UNIVERSITY AFTER See Page 902.
COMPLETION OF AIR CONDITIONING CONTRACT. --Sometime ago an appropriation was set up for Main Building Alteration and Refinishing, which it is planned to use to take care of work which will need to be performed after the Air Conditioning contract for the Main Building is completed. Conferences have been held recently to discuss the best procedure to be followed in order to proceed with this painting and re-decorating as expeditiously as possible after the completion of the Air Conditioning contract. After discussion of various methods which might be used, it was agreed by the Main University Physical Plant staff and Business Manager and the Comptroller's Office that the best procedure would be for the work to be performed under the supervision

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of the Supervising Architect's Office and the Comptroller's Office, using extra painters to be employed by the University on a temporary basis. Since the appropriation is already available for this work, this report is being made merely for the information of the Board.

ALLOCATION OF \$175,000.00 APPROPRIATION FROM AVAILABLE UNIVERSITY FUND FOR 1957-58 FOR MAJOR REPAIRS AND REHABILITATION PROJECTS, MAIN UNIVERSITY. --The Regents appropriated \$175,000.00 for 1957-58 Major Repairs and Rehabilitation Projects at the Main University. It is recommended that the \$175,000.00 be allocated to projects as indicated below:

APPROPRIATIONS TO BE CARRIED IN CENTRAL
ADMINISTRATION ACCOUNTS, TO BE HANDLED
BY COMPTROLLER THROUGH PRESIDENT
AND REGENTS' BUILDINGS AND GROUNDS
COMMITTEE

1. Chemistry Building - Replacement of Floors	\$ 35,000.00
2. Little Campus Buildings - Rehabilitation of Buildings A, B, 05, 06, and 08	50,000.00
3. Chemistry Building - Replacement of Elevator	<u>40,000.00</u>
Sub-total	<u>\$125,000.00</u>

APPROPRIATIONS TO BE CARRIED IN MAIN UNIVERSITY
ACCOUNTS, TO BE HANDLED BY MAIN UNIVERSITY
DIRECTOR OF PHYSICAL PLANT AND BUSINESS
MANAGER

1. Main Building, Library Reading Rooms - Re- placement of Inadequate Lighting Equipment	\$ 10,000.00
2. Chemical Engineering Building - Finishing of Attic Space for New Laboratories	15,000.00
3. Construction of Sidewalks (along San Jacinto Boulevard, Red River Street, etc.)	10,000.00
4. Partial Replacement of Campus Irrigation Lines, East Side of Campus	<u>15,000.00</u>
Sub-total	<u>\$ 50,000.00</u>
Total	<u><u>\$175,000.00</u></u>

All the items appearing above, except the Chemistry Building elevator, were included in our Legislative Budget Board Request for the 1957-59 biennium. The total for the 1957-58 projects listed in the L. B. B. submission was \$309,500.00. Some of the projects originally listed have been postponed; some have been completed or partially completed; some have been otherwise provided for.

These appropriations have been recommended by Mr. Landrum, Business Manager of the Main University, after discussing them with Mr. Carl J. Eckhardt, Director of Physical Plant, and have been approved by Vice-President Ransom, Comptroller Sparenberg, and President Wilson.

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REMOVAL OF OAK TREE, MAIN UNIVERSITY. --In accordance with regulations of the Board, permission is requested to remove an oak tree which is located on the north side of Kinsolving Dormitory which is now under construction. Although all possible precautions were taken when construction was started on this dormitory to protect all trees in the vicinity, apparently the feeder roots to this tree were cut during excavation, and the tree has been damaged to the extent that it is not possible to save it. Mr. Attebury, Landscape Gardener at the Main University, has investigated and reported that it will be dead within six to twelve months. Since the tree has begun to lean dangerously and might fall at any time, it is recommended that permission be given to remove it now.

REPORT ON ENGLISH BUILDING CEILINGS, MAIN UNIVERSITY. -- A report on the condition of ceilings in the English Building was made to the Regents' Buildings and Grounds Committee on October 11, 1957, which outlined the probable cause of the condition and recommendations as to the best method of correcting this condition.

Following this report, the Physical Plant staff of the Main University was instructed to proceed with repairs to two typical rooms in the building (301 and 308), containing a total of 1,578 square feet. The nature of the work performed in these two rooms consisted of the following:

1. The removal of the acoustical tile from the area to be repaired.
2. The cutting and removal of the metal lath supporting the deformed plaster which could not be straightened out.
3. The straightening out of the steel supporting system (channels) which became flexible enough to permit such operations once the deformed metal lath and plaster had been removed.
4. The plastering of the area undergoing repair with the conventional plaster.
5. The replacement of acoustical tile and lighting fixtures to conform to the original design.
6. The cutting of a transverse expansion slot of a width of approximately 1".

An inspection of the work performed in the two rooms reveals the fact that it is in a presentable and acceptable condition. This work involved an expenditure of approximately \$1,177.00. There are between 20 and 25 rooms in the English Building, including Rooms 301 and 308, which will ultimately require attention, at an estimated cost of between \$13,000.00 and \$15,000.00.

The teaching spaces in English Building are used extensively. With proper scheduling of classes, one room can be completely unscheduled for the spring semester, thus allowing a systematic repair of the remaining ceilings, one room at a time, without seriously disrupting classes. It is still the opinion of Mr. Eckhardt and his staff, Mr. Landrum, and the Comptroller's Office, that, from a structural viewpoint, there is no more risk to students and faculty in this building than in any other.

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It is recommended by Business Manager Landrum and Comptroller Sparenberg that this work be done by the Physical Plant staff of the Main University, as fast as time and circumstances will allow, and that an appropriation of \$15,000.00 be set up to cover this work from Main University Account No. 27200: Improvements, Remodeling, and Major Repairs - Allotment Account to an account entitled Repairs of English Building Ceilings.

Adoption of Report. --Mr. Johnson moved the adoption of the Buildings and Grounds Committee report. Mrs. Devall seconded the motion which carried.

CENTRAL ADMINISTRATION

RATIFICATION, CONTRACT AWARD FOR BLANKET SYSTEM-WIDE POLICY FOR MONEY AND SECURITIES INSURANCE AND BLANKET POSITION FIDELITY BOND. --Comptroller Sparenberg in a letter dated January 6, 1958, to the Board of Regents gave the following report of the awards of contracts on blanket system-wide policies for money and securities insurance and blanket position fidelity bond, included a tabulation of bids, and requested ratification of these awards: See Page 918.

On November 14, 1957, specifications for money and securities and fidelity insurance coverage were presented to various insurance agents by Comptroller Sparenberg. They were asked to make proposals for three-year policies on three bases: (1) a blanket system-wide money and securities broad form policy, (2) a system-wide blanket position fidelity bond, and (3) a comprehensive dishonesty, disappearance and destruction policy.

The bids received were opened and tabulated at 10:00 a. m., December 5, 1957, in the Office of the Comptroller. (See Page 54 for tabulation.)

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The bid of \$1,355.70 for a three-year money and securities policy, submitted by Hartford Accident and Indemnity Company through their agent, The Robbins, Montgomery and Nieman Company, has been accepted. The bid of \$4,219.40 for a three-year blanket position bond, submitted by the Travelers Indemnity Company through their agent, Chiles, McCallum and Nagle, has been accepted. Both policies are effective December 15, 1957.

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Copies of the two new policies, invoices, and schedules showing the proration by branches of the premiums charged are being furnished to all Branch Business Managers

The awards recommended were approved by Vice-President Dolley, for the President's Office, before they were made by the Comptroller.

Upon motion of Mrs. Devall, seconded by Vice-Chairman Sorrell, the Board ratified the action as set forth in the report of Comptroller Sparenberg. (Letter of January 6, 1958, in Secretary's Files, Volume V, Page 143.)

COMMITTEE REPORTS

REPORT OF LAND AND INVESTMENT COMMITTEE (See Page 41 for Adoption.) --At the request of Chairman Jeffers, Vice-Chairman Sorrell, Chairman of the Land and Investment Committee, presented the following report: See Page 477.

INVESTMENT AND LAND MATTERS OF PERMANENT UNIVERSITY FUND, AND INVESTMENT, GIFT, BEQUEST AND ESTATE, REAL ESTATE, AND REVENUE BOND FINANCING MATTERS OF TRUST AND SPECIAL FUNDS. --(Each member of the Board had been furnished in the Material Supporting the Agenda the formal recommendations of the Endowment Officer to the Land and Investment Committee. Vice-Chairman Sorrell called attention to the items listed below including additional items not on the original agenda that were being recommended by the Land and Investment Committee.

- I. Hogg Foundation: Varner Properties - Report and Recommendations re Delinquent Taxes on Varner Building Sold to Pappas Company, Inc. under Vendor's Lien and Deed of Trust Note (See third paragraph, Page 38) See Page 474.

- II. M. D. Anderson Hospital and Tumor Institute: Rosalie B. Hite Estate - Offer from Ben Taub et al for Purchase of Property at Capitol and La Branch, Houston, Texas (See second and third paragraphs, Page 40) See Page 476.

- III. Additional Items not on Agenda (routine)
 - A. Addendum to Bond Purchase Program (Page 41) See Page 477.
 - B. Assignment of Pipe Line Easements No. 421 and 428 and Highway Right-of-Way Easement No. 1050 (Page 33) See Page 469.

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PERMANENT UNIVERSITY FUND--INVESTMENT MATTERS. --

REPORT OF PURCHASES OF SECURITIES AND SALE OF RIGHTS AND STOCK DIVIDEND. --The following purchases of securities and sale of rights and stock dividend have been made for the Permanent University Fund since the report of October 10, 1957. We ask that the Board ratify and approve these transactions:

PURCHASES OF SECURITIES

PERMANENT UNIVERSITY FUND BONDS

Year of Purchase	Security	Par Value of Bonds or No. of Shares of Stock	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
12/57	Board of Regents of The Univ. of Texas 1-1/2% Perm. Univ. Fund Bonds, dated 7/1/49, due 7/1/58-69, callable 7/1/59 @ 102	\$ 661,000	97.90 (\$222,000 due 7/1/65), 97.06 (\$25,000 due 7/1/66), 95.97 (\$200,000 due 7/1/68), 95.80 (\$214,000 due 7/1/69), plus 3/4 of 1% commission on total par value purchased	\$ 643,512.50	1.54%#
12/57	Board of Directors of The A. & M. College of Texas 1-1/2% Permanent Univ. Fund Bonds, dated 7/1/49, due 7/1/58-69, callable 7/1/59 @ 102	163,000	96.91 (\$20,000 due 7/1/67), 95.97 (\$23,000 due 7/1/68), 95.80 (\$120,000 due 7/1/69), plus 3/4 of 1% commission on total par value purchased	157,637.60	1.55 #
1/57	Board of Regents of The Univ. of Texas 1-1/2% Permanent Univ. Fund Bonds, dated 7/1/49, due 7/1/58-69, callable 7/1/59 @ 102	1,120,000	98.01 (\$235,000 due 7/1/64), 97.90 (\$105,000 due 7/1/65), 97.06 (\$110,000 due 7/1/66), 96.91 (\$175,000 due 7/1/67), 95.97 (\$275,000 due 7/1/68), 95.80 (\$220,000 due 7/1/69), plus 3/4 of 1% commission on total par value purchased	1,092,554.50	1.54 #

*Includes brokerage commission paid.

**Yield at present annual dividend rate for stocks; yield to maturity for bonds,

unless otherwise noted.

#Current yield on cost.

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of Purchase	Security	Par Value of Bonds or No. of Shares of Stock	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
1957	Board of Directors of The A.&M. Col- lege of Texas 1-1/2% Permanent Univ. Fund Bonds, dated 7/1/49, due 7/1/58-69, callable 7/1/59 @ 102	\$ 715,000	98.01 (\$25,000 due 7/1/64), 97.90 (\$125,000 due 7/1/65), 97.06 (\$170,000 due 7/1/66), 96.91 (\$230,000 due 7/1/67), 95.97 (\$165,000 due 7/1/68), plus 3/4 of 1% com- mission on total par value purchased	\$ 698,485.50	1.54#
1957	Board of Regents of The Univ. of Texas 1-1/2% Permanent Univ. Fund Bonds, dated 7/1/49, due 7/1/58-69, callable 7/1/59 @ 102	175,000	98.01 (\$55,000 due 7/1/64), 97.90 (\$120,000 due 7/1/65), plus 3/4 of 1% com- mission on total par value purchased	172,698.00	1.52#
1957	Board of Directors of The A.&M. Col- lege of Texas 1-1/2% Permanent Univ. Fund Bonds, dated 7/1/49, due 7/1/58-69, callable 7/1/59 @ 102	<u>217,000</u>	97.90 (\$50,000 due 7/1/65), 95.97 (\$60,000 due 7/1/68), 95.80 (\$107,000 due 7/1/69), plus 3/4 of 1% com- mission on total par value purchased	<u>210,665.50</u>	<u>1.55#</u>
	Total Permanent University Fund Bonds Purchased	<u>3,051,000</u>		<u>2,975,553.60</u>	<u>1.54#</u>

Includes brokerage commission paid.

Yield at present annual dividend rate for stocks; yield to maturity for bonds,
unless otherwise noted.

Current yield on cost.

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CORPORATE BONDS

of Phase	Security	Par Value of Bonds or No. of Shares of Stock	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
3/57	Consolidated Edison Co. of N. Y., Inc., First & Ref. Mtge. Bonds, 5% Series N, dated 10/1/57, due 10/1/87	\$ 500,000	100.777 Net	\$ 503,885.00	4.95%
9/57	American Tel. & Tel. Co. 5% De- bentures, dated 11/1/57, due 11/1/83	500,000	101.461 Net	507,305.00	4.90
	Total Corporate Bonds Purchased	1,000,000		1,011,190.00	4.90 #

PREFERRED STOCKS

of Phase	Security	Par Value of Bonds or No. of Shares of Stock	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
8/57	Commonwealth Edison Co. 5.25% Cumulative Pre- ferred Stock (\$100 P. V.), dated 10/17/57	5,000 Shares	100 Net	500,000.00	5.25

COMMON STOCKS

of Phase	Security	Par Value of Bonds or No. of Shares of Stock	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
8/57	Baltimore Gas & Electric Co. Common Stock	1,500 Shares	33-3/4	51,103.20	5.28

Includes brokerage commission paid.

Yield at present annual dividend rate for stocks; yield to maturity for bonds,

unless otherwise noted.

Current yield on cost.

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of Phase	Security	Par Value of Bonds or No. of Shares of Stock	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
57	Wisconsin Elec- tric Power Co. Common Stock	1,700 Shares	29-5/8(700). 29-3/4(200). 29-7/8(500). 29-1/2(300).	\$ 50,982.38	5.67%
57	Chemical Corn Exchange Bank Capital Stock	200 "	45.50 Plus 5 rights	9,100.00	5.05
57	Ditto	300 "	46 Net	13,800.00	5.00
57	Aluminum Co. of America Common Stock	600 "	75-1/4(300). 75-3/8(300)	45,442.71	1.58
57	National Dairy Products Corp. Common Stock	1,400 "	36-3/8(300). 36-1/2(400). 37-1/4(500). 37-1/8(200)	52,030.34	4.84
2/57	Norfolk & West- ern Railway Co. Common Stock	800 "	62	49,929.60	6.41
3/57	Republic Steel Corporation Common Stock	1,000 "	48-7/8	49,269.40	6.09
57	General Electric Co. Common Stock	800 "	61-3/8(400) 61-1/4(300) 61-1/8(100)	49,366.56	3.07
57	Ford Motor Co. Common Stock	1,000 "	50-1/8	50,525.10	4.75
57	Continental Oil Co. Capital Stock	900 "	53-1/8	48,175.29	2.99
57	International Paper Co. Common Stock	500 "	89-1/2	44,969.75	3.34
57	Owens-Illinois Glass Co. Common Stock	800 "	58-1/2(400) 59(400)	47,327.00	4.23

*Includes brokerage commission paid.

**Yield at present annual dividend rate for stocks; yield to maturity for bonds,
unless otherwise noted.

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of Share	Security	Par Value of Bonds or No. of Shares of Stock	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
8/57	American Home Products Corp. Capital Stock	400 Shares	135(100) 134-1/2(100) 133-1/2(200)	\$ 53,843.65	4.01%
18/57	Southern Cali- fornia Edison Co. Common Stock	1,100 "	46-5/8(200) 46-1/2(900)	51,595.87	5.12
21/57	Allied Chemical & Dye Corp. Common Stock	700 "	73-3/4(200) 73-7/8(300) 74(200)	52,009.23	4.04
21/57	Johns-Manville Corporation Common Stock	1,200 "	37(100) 37-1/8(100) 37-1/2(100) 37-5/8(100) 37-3/4(100) 37-7/8(200) 38(200) 38-1/8(100) 38-1/4(200)	45,744.20	5.90
22/57	The Detroit Edison Co. Capital Stock	1,300 "	35-7/8(200) 35-3/4(500) 35-5/8(400) 35-1/2(200)	46,827.02	5.55
22/57	International Harvester Co. Common Stock	1,600 "	30-5/8(500) 30-1/2(600) 30-1/4(500)	49,221.20	6.50
23/57	Commonwealth Edison Co. Common Stock	1,300 "	37-1/8(600) 37(700)	48,610.86	5.35
23,24 25/57	United Gas Corp. Common Stock	1,600 "	28-5/8(600) 28-1/2(400) 29(200) 28-3/4(400)	46,344.38	5.18
25/57	First National Bank in Dallas Common Capital Stock	700 "	34-1/4 Net	23,975.00	4.09
28/57	Republic National Bank of Dallas Common Capital Stock	400 "	53 Net	21,200.00	3.17

*Includes brokerage commission paid.

**Yield at present annual dividend rate for stocks; yield to maturity for bonds,
unless otherwise noted.

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of base	Security	Par Value of Bonds or No. of Shares of Stock	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
9/57	U. S. Fidelity & Guaranty Co. Capital Stock	400 Shares	55-1/2 Net	\$ 22,200.00	3.60%
9/57	Insurance Co. of North America Capital Stock	200 "	84-3/4(150) 86(50)	17,084.04	2.93
12/57	Marine Midland Corporation Common Stock	1,100 "	18-7/8(700) 19(400)	21,075.66	5.22
10/57	Phelps Dodge Corporation Capital Stock	1,200 "	43(300). 43-1/4(900)	52,264.17	6.89
10/57	R. J. Reynolds Tobacco Co. Common "B" Stock	900 "	62	56,170.80	5.77
11/57	Public Service Co. of Colorado Common Stock	1,300 "	38(1,100). 37-3/4(200)	49,791.76	4.70
11/57	Link Belt Co. Common Stock	1,000 "	54(200). 54-1/4(100) 53(100) 53-1/4(200) 53-1/2(400)	53,978.59	6.02
11/57	Otis Elevator Co. Common Stock	1,300 "	42(600). 41-7/8(100) 42-3/4(100). 43(200). 43-1/4(100) 43-1/2(200)	55,758.95	4.66
11/57	United States Steel Corp. Common Stock	1,000 "	56(100). 56-1/4(100). 56-1/2(200). 54(100). 55(200). 52(300)	54,929.53	5.46
11/57	Borg-Warner Corporation Common Stock	1,600 "	33-1/4(700). 33-1/2(300). 33-3/4(200). 34-1/8(400)	54,233.66	7.08

*Includes brokerage commission paid.

**Yield at present annual dividend rate for stocks; yield to maturity for bonds,
unless otherwise indicated.

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of Phase	Security	Par Value of Bonds or No. of Shares of Stock	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
1/57	Oklahoma Gas & Electric Co. Common Stock	1,400 Shares	37-5/8(1,100). 37-3/4(300)	\$ 53,186.05	4.74%
1/57	Commercial Credit Co. Common Stock	500 "	43-3/4	22,059.40	6.35
1/57	E. I. du Pont de Nemours & Co. Common Stock	300 "	174(100). 174-1/2(100). 174-3/4(100)	52,475.00	3.72
1/57	Utah Power & Light Co. Common Stock	2,200 "	23-3/8(600). 23-1/4(300). 23-1/2(1,300)	52,137.78	5.06
1/57	Standard Oil Co. of California Capital Stock	1,000 "	47-1/4(300). 47-1/2(700)	47,812.14	4.18
1/57	National Lead Co. Common Stock	500 "	97-5/8	49,036.30	3.31
1/57	Corn Products Refining Co. Common Stock	1,700 "	31-1/8	53,432.02	4.77
1/57	Addressograph- Multigraph Corp. Common Stock	300 "	144-1/4(100). 144-1/2(100). 145(100)	43,523.38	2.76
1/57	B. F. Goodrich Company Common Stock	800 "	61(200). 60-3/4(100). 60(200). 59-1/2(100). 58-5/8(100). 58(100)	48,215.39	3.65
1/57	Federated Depart- ment Stores, Inc., Common Stock	1,700 "	30-1/2(200). 30-5/8(200). 31(300). 31-1/4(400). 31-1/2(100). 31-5/8(100). 30-3/4(300). 30-7/8(100)	53,168.28	5.12

*Includes brokerage commission paid.

**Yield at present annual dividend rate for stocks; yield to maturity for bonds,

unless otherwise indicated.

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of Case	Security	Par Value of Bonds or No. of Shares of Stock	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
12, 14 & 17	McGraw-Edison & Company Com- mon Stock	1,500 Shares	32-1/2(100), 32-3/4(400), 33(600), 33-1/2(100), 33-3/4(100), 34-1/2(100), 35(100)	\$ 50,299.15	4.18%
12/57	First National Bank of Chicago Common Stock	100 "	294 Net	29,400.00	2.72
12/57	Mellon National Bank & Trust Co. Common Capital Stock (Pitts- burgh, Pa.)	200 "	118 Net	23,600.00	3.39
12/57	Continental Casualty Co. Capital Stock	300 "	64-1/2	19,474.35	2.16
12/57	Hartford Fire Insurance Co. Capital Stock	200 "	120-3/4	24,244.16	2.47
12/57	Lincoln National Life Insurance Co. Capital Stock	100 "	172	17,252.20	1.01
13/57	C. I. T. Financial Corporation Common Stock	600 "	43	26,019.00	5.53
13/57	Union Carbide Corporation Capital Stock	500 "	90-5/8	45,532.80	3.97
13/57	Carolina Power & Light Co. Common Stock	2,200 "	22-3/4(1,900), 22-7/8(100), 23(200)	50,693.16	5.21
14,21, 26, & 17/57	The Borden Co. & Capital Stock	900 "	58-3/4(100), 59(100), 59-1/4(100), 60(100), 59-3/4(100), 59-7/8(100), 60-1/4(200), 60-1/2(100)	54,131.29	4.66

*Includes brokerage commission paid.

**Yield at present annual dividend rate for stocks; yield to maturity for bonds,

unless otherwise indicated.

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of Purchase	Security	Par Value of Bonds or No. of Shares of Stock	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
9/18	Kimberly-Clark Corporation Common Stock	1,200 Shares	43-1/4(200). 43-1/2(200). 43-3/4(100). 47-7/8(100). 47-1/2(200). 48(400)	\$ 55,668.58	3.88%
8/57	Republic National Bank of Dallas Common Capital Stock	33 "	45 plus 12 rights per share	1,485.00	3.77
8/57	Standard Oil Co. of New Jersey Capital Stock	53 "	44 plus 30 rights per share	2,332.00	5.02
	Total Common Stocks Purchased 9/24/57 through 12/10/57	50,086 Shares		2,314,057.33	4.66
	TOTAL SECURITIES PURCHASED 9/24/57 THROUGH 12/19/57			\$6,800,800.93	3.37%

*Includes brokerage commission paid.

**Yield at present annual dividend rate for stocks; yield to maturity for bonds,
unless otherwise noted.

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SALE OF RIGHTS AND STOCK DIVIDEND

<u>Date Sold</u>	<u>Security</u>	<u>Net Proceeds</u>
9/27/57	900 Rights to purchase Hudson's Bay Oil and Gas Company Ltd., Capital Stock (Based on Continental Oil Company Capital Stock holdings)	\$ 314.90
10/28/57	2,100 Rights to subscribe for Consumers Power Company 4-5/8% Convertible Debentures, due 11/1/72 (Based on Consumers Power Company Common Stock holdings)	143.05
10/22/57	3 Shares Continental Assurance Company Common Stock (Received as stock dividend based on holdings of Continental Casualty Company Capital Stock)	275.94
12/3/57	4 Rights to subscribe for Republic National Bank of Dallas Common Capital Stock	1.60
12/3/57	10 Rights to subscribe for Standard Oil Company of New Jersey Capital Stock	2.03

PERMANENT UNIVERSITY FUND INVESTMENT PROGRAM - RECOMMENDED ADDITIONS TO APPROVED LIST OF SECURITY BROKERS AND DEALERS. -- It is recommended that the following additions be made to the list of security dealers and brokers as approved through October 10, 1957. See Pages 575 and 588.

To Section IV. A. Group II (Firms which serve as New York correspondents of Texas firms having membership on the New York Stock Exchange but not floor privileges; approval to include both the New York correspondent and the Texas firm):

Cyrus J. Lawrence and Sons, New York City, N. Y.
Lentz, Newton & Company, San Antonio, Texas

To Section IV. A. Group III (Full members of the New York Stock Exchange with neither branch offices in Texas nor correspondent firms in Texas):

Laird, Bissell & Meeds, New York City, N. Y.
(For unlisted bank and insurance shares)

WAIVER OF PREFERENTIAL RIGHT TO PURCHASE VETERANS' LAND BONDS FOR THE PERMANENT UNIVERSITY FUND. -- The University of Texas is one of the state agencies having preference rights under the Constitution and statutes to purchase new issues of Veterans' Land Bonds. At the request of the Veterans' Land Board, the Endowment Officer wrote the members of the Board of Regents on December 9, 1957 for an expression as to waiving this preference right for an issue of Veterans' Land Bonds, Series 1957, in the amount of \$12,500,000 on which bids were to be opened December 16, 1957. The legal limit on

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interest on these bonds is 3%. The response to the letter was that the right would be waived. Accordingly, the Secretary to the Board of Regents, on December 13, 1957 notified the Veterans' Land Board that the Board of Regents would pass on the question at its January, 1958 meeting and would vote to waive the constitutional and statutory priority to purchase the bonds at that time. The prescribed waiver forms have been furnished with notice that the best bid was accepted for the \$12,500,000 bonds bearing interest varying from 2.60% per annum to 3% per annum at par and accrued interest, plus a premium of \$17,487.50. (See Page 1 .) See Page 437.

It is recommended that the Board of Regents waive its preference right to purchase any other bonds offered for sale by the Veterans' Land Board out of the total of \$100,000,000 authorized by Constitutional Amendment effective January 1, 1957, which Constitutional authorization limits the interest rate on such bonds not to exceed 3% per annum; and that the Secretary of the Board be authorized to furnish, upon request by the Veterans' Land Board, evidence of such waiver in form approved by the Land and Trust Attorney and by the Endowment Officer.

*BOND PURCHASE PROGRAM OF PERMANENT UNIVERSITY FUND BONDS, SERIES 1949. --At the October, 1957 meeting of the Board of Regents, approval was given for a contract with F. S. Smithers & Company of New York and Emerson & Company of San Antonio, to undertake a program to purchase Permanent University Fund Bonds, Series 1949, looking toward the refunding of the issue later in 1958. See Page 588.

The general terms of the contract between the University and the Agents were given then and the contract was executed by the Chairman of the Board of Regents and the Agents, as of November 11, 1957, along the lines set out at the October meeting with the exception of the fee to the Agents being set as three-quarters of a point, or \$7.50 per bond. Copies of the Offer to Purchase Bonds were mailed to all members of the Board of Regents on November 14, 1957, on which offer the following prices, plus accrued interest, were shown for the last six maturities to which the purchase program was limited:

<u>Maturity</u>	<u>Price</u>
July 1, 1964	\$98.01
July 1, 1965	97.90
July 1, 1966	97.06
July 1, 1967	96.91
July 1, 1968	95.97
July 1, 1969	95.80

Prices to the University are the above plus Agents' compensation of \$7.50 per bond, with accrued interest to date of delivery to the University.

As of November 30, 1957, the Agents had purchased \$3,051,000 of the total \$5,100,000 outstanding for the maturities listed, the estimate of funds available for this phase having been approximately \$3,000,000.

* See Page 41 for Addendum. (See Page 477.)

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Section 7 of the contract provides for the extending or enlarging of the Bond Purchase Program by an appropriate supplemental agreement entered into upon such terms and conditions as may be mutually agreeable to both parties. After the purchases indicated above, we were advised by the Agents that there were approximately \$926,000 of bonds within the above maturities on which they had received offers. After conferences with Mr. Emerson, representing the Agents, Dr. Dolley and the Endowment Officer, a supplemental agreement was made as of December 4, 1957, which was also signed by the Chairman of the Board of Regents and the Agents. Under this supplemental agreement, the Agents would purchase such amounts of the outstanding bonds in these maturities of the remaining \$2,049,000 of bonds as could be confirmed for purchase by Agents not later than December 20, 1957, with a written report to the University by January 10, 1958 giving a full description of all bonds so committed and confirmed for purchase. In the supplemental purchase program, the prices agreed upon, plus accrued interest, are the same as those given above. The Agents have made arrangements for the bonds so purchased under this supplemental agreement to be delivered to the University at the American National Bank on July 1, 1958 upon payment of \$995 for each \$1000 bond so delivered, this price to include all commissions and compensation to the Agents and others except for delivery costs.

Both the original contract and the supplemental agreement were approved by McCall, Parkhurst & Crowe, Bond Attorneys of Dallas.

The Agents are doing additional work on tracing holders of bonds. The details of the refunding, however, remain to be worked out as well as the contract for refunding, the terms for which were also approved in general at the October, 1957 meeting of the Board.

It is recommended that the actions outlined above be approved and the signing of the contracts by the Chairman of the Board of Regents be ratified.

PERMANENT UNIVERSITY FUND--LAND MATTERS. --

LEASES AND EASEMENTS. --The Land and Investment Committee has given consideration to the following applications for various leases and easements on University Lands. All are at the standard rate unless otherwise stated, are on the University's standard forms, and have been approved as to form by the University Land and Trust Attorney and as to content by the University Endowment Officer. The Land and Investment Committee asks that the Board approve these applications and authorize the Chairman of the Board to execute the instruments involved:

PIPE LINE EASEMENT NO. 1021, PHILLIPS PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to Phillips Pipe Line Company covers 39.1 rods of 3-1/2 - inch oil pipe line at \$0.25 per rod and 561.9 rods of 4-1/2 - inch oil pipe line at \$0.50 per rod in Sections 35 and 36, Block 11, University Lands, Andrews County, Texas, for a 10-year period beginning September 1, 1957, and ending August 31, 1957. The full consideration of \$290.73 for the 10-year period has been received.

TELEPHONE AND TELEGRAPH LINE EASEMENT NO. 1022, SERVICE PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS, (RENEWAL OF EASEMENT NO. 331). --This application for a telephone and telegraph

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line easement to Service Pipe Line Company covers 559.8 rods of line at \$0.05 per rod per year in Sections 19 and 20, Block 13, University Lands, Andrews County, Texas, for a 10-year period beginning November 1, 1957, and ending October 31, 1967. The full consideration of \$280.00 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1023, TEXAS - NEW MEXICO PIPE LINE COMPANY, CRANE COUNTY, TEXAS, --This application for a pipe line easement to Texas-New Mexico Pipe Line Company covers 594.36 rods of 4-1/2 - inch oil pipe line at \$0.50 per rod in Section 48, Block 30, University Lands, Crane County, Texas, for a 10-year period beginning October 1, 1957, and ending September 30, 1967. The full consideration of \$297.18 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1024, PHILLIPS PETROLEUM COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to Phillips Petroleum Company covers the following pipe lines in Sections 17, 18, 20, 21, 26, 27, 28, 31, 32, 35, 36 and 37, Block 4; Section 42, Block 5; and Sections 3, 4, 5, 8, and 11, Block 10, University Lands, Andrews County, Texas, for a 10-year period beginning October 1, 1957, and ending September 30, 1967: 583.6 rods of 20-inch line, 261.6 rods of 16-inch line and 1,254.2 rods of 12-3/4 - inch line at \$1.50 per rod; 531.0 rods of 10-3/4 - inch line at \$1.00 per rod; 819.2 rods of 6-5/8 - inch line at \$0.75 per rod; 600.5 rods of 4-1/2 - inch line at \$0.50 per rod; and 102.4 rods of 3-1/2 - inch line at \$0.25 per rod. The full consideration of \$4,620.35 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1025, TEXAS-NEW MEXICO PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to Texas-New Mexico Pipe Line Company covers 1,865 rods of 4-1/2 - inch oil pipe line at \$0.50 per rod in Sections 10, 14, 15, 24, 25, Block 12; and Sections 2, 5, 6, 7, 16 through 19 and 25, Block 14, University Lands, Andrews County, Texas. This easement is for a 10-year period beginning October 1, 1957, and ending September 30, 1967. The full consideration of \$932.50 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1026, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to El Paso Natural Gas Company covers 164.104 rods of 4-1/2 - inch natural gas pipe line in Sections 14 and 15, Block 1, University Lands, Andrews County, Texas, for a 10-year period beginning November 1, 1957, and ending October 31, 1967. The full consideration of \$82.05 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1027, PHILLIPS PETROLEUM COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to Phillips Petroleum Company covers the following described pipe lines in Sections 4, 5, 9, 10, Block 1; Sections 2 through 7, 10, 14 through 23, 26 through 29, 31, 32, 35, 36, 37, Block 4; Sections 30, 31, 42, Block 5; Sections 5 through 8, 17 and 18, Block 8; Sections 2, 4 through 9, 11, 14, 17, 19, 20, 21, 23, 28 through 32, 42, 43, Block 9; Sections 1 through 4, 9 through 12, 14, 15, 16, 22, 23, 25, 26, 27, 33 through 36, Block 10; and Sections 7 and 8, Block 14; University Lands, Andrews County, Texas: 79.1 rods of 20-inch line, 223.0 rods of 16-inch line and 3,679.0 rods of 12-3/4 - inch line at \$1.50 per rod; 6,879.8 rods of 10-3/4 - inch line, 2,632.5 rods of 8-5/8 - inch line and 108.0 rods of 8-inch line at \$1.00

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per rod; 8,200.4 rods of 6-5/8 - inch line at \$0.75 per rod; 5,673.3 rods of 4-1/2 - inch line at \$0.50 per rod; and 5,023.4 rods of 4-inch line, 3,011.1 rods of 3-1/2 - inch line and 4,712.4 rods of 2-3/8 - line, at \$0.25 per rod. This easement is for a 10-year period beginning May 1, 1957, and ending April 30, 1967. The full consideration of \$27,765.63 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1028, GULF OIL CORPORATION, CRANE COUNTY, TEXAS. --This application for a pipe line easement to Gulf Oil Corporation covers 153.6 rods of 4-inch gas pipe line in Section 5, Block 30, University Lands, Crane County, Texas, for a 10-year period beginning November 1, 1957, and ending October 31, 1967. The full minimum consideration of \$50.00 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1029, PHILLIPS PETROLEUM COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to Phillips Petroleum Company covers the following gas pipe lines in Sections 22, 26, 27, 34, 35 and 36, Block 11; and Sections 14, 15 and 25, Block 12; University Lands, Andrews County, Texas: 729.7 rods of 12-3/4 - inch line at \$1.50 per rod; 333.9 rods of 10-3/4 - inch line at \$1.00 per rod; 161.4 rods of 4-1/2 - inch line at \$0.50 per rod; and 141.1 rods of 3-1/2 - inch line at \$0.25 per rod. This easement is for a 10-year period beginning October 1, 1957, and ending September 30, 1967. The full consideration of \$1,544.43 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1030, SERVICE PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS, (RENEWAL OF EASEMENT NO. 336). -- This application for a pipe line easement to Service Pipe Line Company covers 689.69 rods of 4-inch line at \$0.25 per rod in Sections 29, 30 and 31, Block 13, University Lands, Andrews County, Texas, for a 10-year period beginning December 1, 1957, and ending November 30, 1967. The full consideration of \$172.42 for the 10-year period has been received.

ROADSIDE PARK EASEMENT NO. 1031, TEXAS HIGHWAY DEPARTMENT, CRANE COUNTY, TEXAS. --This application for a roadside park easement to the Texas Highway Department covers a 0.287-acre tract in Section 22, Block 30, University Lands, Crane County, Texas, to be used as a roadside park on State Highway 51. It has been agreed that the Texas Highway Department shall construct a substantial net or stock-proof fence on the west side of the proposed right-of-way and on the boundary line separating the roadside park and University Lands. No consideration is involved in this easement.

HIGHWAY RIGHT-OF-WAY EASEMENT NO. 1032, COUNTY COMMISSIONERS' COURT OF ANDREWS COUNTY, ANDREWS COUNTY, TEXAS. --This application for a highway right-of-way easement to the County Commissioners' Court of Andrews County covers an 81.27-acre strip of land in Sections 3, 4, 5, 8, 17, 20, 29 and 32, Block 5, University Lands, Andrews County, Texas, for use as a public road or highway to be known as New Plant Road, Precinct No. 3. No consideration is involved in this easement.

PIPE LINE EASEMENT NO. 1033, CABOT CARBON COMPANY, WARD COUNTY, TEXAS. --This application for a pipe line easement to Cabot Carbon Company covers 82.30 rods of 3-inch gas line at \$0.25 per rod in Section 6, Block 16, University Lands, Ward County, Texas, for a 10-year period beginning October 31, 1957, and ending October 30, 1967. The full minimum consideration of \$50.00 for the 10-year period has been received.

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PIPE LINE EASEMENT NO. 1034, EMPIRE SOUTHERN GAS COMPANY ANDREWS COUNTY, TEXAS (RENEWAL OF A PORTION OF EASEMENT NO. 330). --This application for a pipe line easement to Empire Southern Gas Company covers 649 rods of 8-5/8 - inch gas line at \$1.00 per rod in Sections 2, 3 and 10, Block 14, University Lands, Andrews, County, Texas, for a 10-year period beginning December 1, 1957, and ending November 30, 1967. The full consideration of \$649.00 for the 10-year period has been received.

CATHODIC PROTECTION UNIT EASEMENT NO. 1035, EL PASO NATURAL GAS COMPANY HUDSPETH COUNTY, TEXAS. --This application for an easement to the El Paso Natural Gas Company covers a site in the SE/4 of the SE/4 of Section 12, Block J, University Lands, Hudspeth County, Texas, on which will be constructed and maintained a cathodic protection unit consisting of equipment and apparatus for use in servicing and operating pipe lines. This easement is for a 10-year period beginning November 1, 1957, and ending July 31, 1966. The full consideration of \$50.00 for the 10-year period has been received.

TELEPHONE AND TELEGRAPH LINE EASEMENT NO. 1036, GENERAL TELEPHONE COMPANY OF THE SOUTHWEST, CROCKETT COUNTY, TEXAS. --This application for a telephone and telegraph line easement to General Telephone Company of the Southwest covers 4,873.6 rods of line at \$0.05 per rod per year in Sections 23, 24, 26, 34 and 35, Block 29; Sections 4, 9, 16, 20, 21, 29, 32, Block 30; and Sections 4, 5, 8, 9, 17, 20, 29 and 32, Block 31; University Lands, Crockett County, Texas, for a 10-year period beginning January 1, 1958, and ending December 31, 1967. The full consideration of \$2,436.80 for the 10-year period has been received.

MATERIAL SOURCE EASEMENT NO. 1037, TEXAS STATE HIGHWAY COMMISSION, REAGAN COUNTY, TEXAS. --This application for a material source easement to the Texas Highway Commission covers a 22.96-acre tract in Section 3, Block 11, University Lands, Reagan County, Texas, which shall provide road-building materials for construction and maintenance of U. S. Highway 67 in Reagan County, Texas. This additional source of material for construction and maintenance of U. S. Highway 67 is necessary inasmuch as one of the materials sources covered by Highway Right-of-Way Easement No. 934 to the Texas Highway Commission failed to yield the required amount of acceptable material for construction of the project. No consideration is involved in this easement.

HIGHWAY RIGHT-OF-WAY EASEMENT NO. 1038, COUNTY COMMISSIONERS' COURT OF UPTON COUNTY, TEXAS.--This application for a highway right-of-way easement to the County Commissioners' Court of Upton County, covers a 67.73-acre strip of land in Sections 13, 24, 25, 26 and 35, Block 4, and Sections 2 and 11, Block 5, University Lands, Upton County, Texas, for use as a public road or highway. No consideration is involved in this easement.

PIPE LINE EASEMENT NO. 1039, COMANCHE GAS COMPANY, PECOS COUNTY, TEXAS. --This application for a pipe line easement to Comanche Gas Company covers 529 rods of 3-1/2 - inch natural gas pipe line at \$0.25 per rod in Sections 6 and 7, Block 28, University Lands, Pecos County, Texas. This easement is for a 10-year period beginning December 1, 1957, and ending November 30, 1967. The full consideration of \$132.25 for the 10-year period has been received.

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PIPE LINE EASEMENT NO. 1040, THE ALANTIC REFINING COMPANY, CRANE COUNTY, TEXAS. --This application for a pipe line easement to the Atlantic Refining Company covers 1855.48 rods of 3 - inch pipe line at \$0.25 per rod in Sections 4, 9, 16, 21, 28, and 33, Block 31, University Lands, Crane County, Texas. This easement is for a 10-year period beginning July 1, 1957, and ending June 30, 1967. The full consideration of \$ 463.87 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1041, THE ATLANTIC REFINING COMPANY, CRANE AND ECTOR COUNTIES, TEXAS. --This application for a pipe line easement to the Atlantic Refining Company covers 651.321 rods of 3 - inch pipe line at \$0.25 per rod in Sections 10 and 12, Block 35, University Lands, Crane and Ector Counties, Texas. This easement is for a 10-year period beginning July 1, 1957, and ending June 30, 1967. The full consideration of \$162.83 for the 10-year period has been received.

ROADSIDE PARK EASEMENT NO. 1042, TEXAS STATE HIGHWAY COMMISSION, ANDREWS COUNTY, TEXAS. --This application for a roadside park easement to the Texas State Highway Commission covers a 0.232 - acre tract in Section 19, Block 13, University Lands, Andrews County, Texas, to be used as a roadside park on State Highway No. 176. It has been agreed that the Texas State Highway Commission shall construct a substantial net or stock-proof fence on the north boundary line separating the roadside park and University Lands. No consideration is involved in this easement.

GAS BOOSTER STATION AND CAMP SITE EASEMENT NO. 1043, PHILLIPS PETROLEUM COMPANY, ANDREWS COUNTY, TEXAS (RENEWAL OF EASEMENT NO. 340). --This application for a combination gas booster station and camp site easement to Phillips Petroleum Company covers 80 acres in the N/2 of SE/4 of Section 31, Block 10, University Lands, Andrews County, Texas, for a 10-year period beginning February 1, 1958, and ending January 31, 1968. The full consideration of \$8,000.00 for the 10-year period, based upon a rate of \$10.00 per acre per year, has been received.

PIPE LINE EASEMENT NO. 1044, PHILLIPS PETROLEUM COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to Phillips Petroleum Company covers the following pipe lines in Sections 4, 5, 9, 10, 13, 14, 15, Block 1, University Lands, Andrews County, Texas, for a 10-year period beginning December 1, 1957, through November 30, 1967: 1,321.3 rods of 12-3/4 - inch line at \$1.50 per rod; 135.8 rods of 6-5/8 - inch line at \$0.75 per rod; and 5.8 rods of 4-1/2 - inch line at \$0.50 per rod. The full consideration of \$2,086.70 for the 10-year period has been received.

APPLICATION FOR GRAZING LEASE NO. 726, W. R. BISSETT, CROCKETT COUNTY, TEXAS, (RENEWAL OF GRAZING LEASE NO. 595 AND PART OF GRAZING LEASE NO. 597). --This application for renewal of Grazing Lease No. 595 combined with that part of Grazing Lease No. 597 (530.9 acres) which Mr. Bissett held, covers a total of 6,306.8 acres in Block 41, Sections 19 and 30; Block 42, Section 1; Block 44, Sections 21, 22 and 23; and Block 45, Sections 1 through 14, University Lands, Crockett County, Texas. This lease is for a period of five years beginning January 1, 1958, and ending December 31, 1962. Rental is at the rate of \$0.35 per acre for the first year and \$0.42 per acre per year for the following four years, aggregate sum of which is \$12,802.82, to be paid

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in semi-annual installments as follows: \$1,103.69 on January 1, 1958, and July 1, 1958; and \$1,324.43 on January 1, 1959, and on first day of July and January of each succeeding year until and including July 1, 1962.

APPLICATION FOR GRAZING LEASE NO. 727, FLEET COATES, CROCKETT COUNTY, TEXAS, (RENEWAL OF GRAZING LEASE NO. 594). --This application for renewal of a grazing lease to Fleet Coates covers 14,214.1 acres in Block 44, Sections 20 and 21; Block 45, Sections 5, 6, 7, 14 through 17, 24 through 27; Block 46, Sections 1, 2, 3, 9 through 12, 20, 21, 30; and Block 47, Sections 13 through 18, 23, 24, 25; University Lands, Crockett County, Texas. This lease is for a period of five years beginning January 1, 1958, and ending December 31, 1962. Rental is at the rate of \$0.33 per acre for the first year and \$0.42 per acre per year for the following four years, aggregate sum of which is \$28,570.34, to be paid in semi-annual installments as follows: \$2,345.33 on January 1, 1958, and July 1, 1958; and \$2,984.96 on January 1, 1959, and on the first day of July and January of each succeeding year until and including July 1, 1962.

APPLICATION FOR GRAZING LEASE NO. 728, BISSETT AND HEMPHILL, CROCKETT COUNTY, TEXAS, (RENEWAL OF GRAZING LEASE NO. 596). This application for renewal of a grazing lease to Bissett and Hemphill, a partnership, covers 20,389 acres in Block 40, Sections 25 and 26; Block 41, Sections 2 through 11, 14 through 22 and 28, 29, 30; Block 42, Sections 1 through 5, 8 through 17, and 20 through 24; University Lands, Crockett County, Texas. This lease is for a period of five years beginning January 1, 1958, and ending December 31, 1962. Rental is at the rate of \$0.35 per acre for the first year and \$0.42 per acre per year for the following four years, aggregate sum of which is \$41,389.68, to be paid in semi-annual installments as follows: \$3,568.08 on January 1, 1958, and July 1, 1958; and \$4,281.69 on January 1, 1959, and on the first day of July and January of each succeeding year until and including July 1, 1962.

APPLICATION FOR GRAZING LEASE NO. 729, MRS. L. W. ANDERSON, WARD, WINKLER AND LOVING COUNTIES, TEXAS, (RENEWAL OF GRAZING LEASE NO. 599). --This application for renewal of a grazing lease to Mrs. L. W. Anderson covers 130,426.8 acres in Blocks 17 through 21, University Lands, Ward, Winkler and Loving Counties, Texas, for a period of five years beginning January 1, 1958, and ending December 31, 1962. Rental is at the rate of \$0.10 for the first year and \$0.15 per acre per year for the following four years, aggregate sum of which is \$91,298.76, to be paid in semi-annual installments as follows: \$6,521.34 on January 1, 1958, and July 1, 1958; and \$9,782.01 on January 1, 1959, and on the first day of July and January of each succeeding year until and including July 1, 1962.

APPLICATION FOR GRAZING LEASE NO. 730, A. B. CONNELL, ECTOR COUNTY, TEXAS, (RENEWAL OF GRAZING LEASE NO. 600). --This application for renewal of a grazing lease to A. B. Connell covers 3,520 acres in Block 35, Sections 1 through 5 and the Northwest one-half of Section 7, University Lands, Ector County, Texas, for a period of five years beginning January 1, 1958, and ending December 31, 1962. Rental is at the rate of \$0.10 per acre for the first year and \$0.15 per acre per year for the following four years, aggregate sum of which is \$2,464.00, to be

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paid in annual installments as follows: \$352.00 on January 1, 1958; and \$528.00 on January 1, 1959, and on the first day of January of each succeeding year until and including January 1, 1962.

APPLICATION FOR GRAZING LEASE NO. 731, GEORGE BLACKSTONE AND F. M. ELKINS, CROCKETT AND IRION COUNTIES, TEXAS, (RENEWAL OF GRAZING LEASE NO. 694). --This application for renewal of a grazing lease to George Blackstone and F. M. Elkins, a partnership, covers 3,028.7 acres in Block 40, Sections 2, 3, 10, 11, 13, 14, 23 through 26, University Lands, Crockett and Irion Counties, Texas, for a period of five years beginning January 1, 1958, and ending December 31, 1962. Rental is at the rate of \$0.35 for the first year and \$0.42 per acre per year for the following four years, aggregate sum of which is \$6,148.28, to be paid in semi-annual installments as follows: \$530.02 on January 1, 1958, and July 1, 1958; and \$636.03 on January 1, 1959, and on the first day of July and January of each succeeding year until and including July 1, 1962. Grazing Lease No. 731 is a renewal of Grazing Lease No. 694, which was an assignment out of Grazing Lease No. 597 to O. B. Trapp & Company.

APPLICATION FOR GRAZING LEASE NO. 732, SAM MANN, REAGAN AND CROCKETT COUNTIES, TEXAS, (RENEWAL OF GRAZING LEASE NO. 591). --This application for renewal of a grazing lease to Sam Mann covers 6,739.1 acres in Block 7, Sections 12, 13, 14, 21 through 26, 33, 34, 35; and Block 12, Sections 18, 19, 30, 31; University Lands, Reagan and Crockett Counties, Texas, for a period of five years beginning January 1, 1958, and ending December 31, 1962. Rental is at the rate of \$0.40 for the first year and \$0.50 per acre per year for the following four years, aggregate sum of which is \$16,173.88, to be paid in semi-annual installments as follows: \$1,347.82 on January 1, 1958, and July 1, 1958; and \$1,684.78 on January 1, 1959, and on the first day of July and January of each succeeding year until and including July 1, 1962.

APPLICATION FOR GRAZING LEASE NO. 733, E. H. LINTHICUM AND SON, IRION AND CROCKETT COUNTIES, TEXAS, (RENEWAL OF GRAZING LEASE NO. 598). --This application for renewal of a grazing lease to E. H. Linthicum and Son covers 9,204.3 acres in Block 40, Sections 3 through 10, 14 through 17, 20 through 23, 25 through 29; and Block 41, Sections 2 through 5; University Lands, Irion and Crockett Counties, Texas. This lease is for a period of five years beginning January 1, 1958, and ending December 31, 1962. Rental is at the rate of \$0.35 for the first year and \$0.42 per acre per year for the following four years, aggregate sum of which is \$18,684.70, to be paid in semi-annual installments as follows: \$1,610.75 on January 1, 1958, and July 1, 1958; and \$1,932.90 on January 1, 1959, and on the first day of July and January of each succeeding year until and including July 1, 1962.

APPLICATION FOR GRAZING LEASE NO. 734, MRS. S. M. OWENS, REAGAN AND UPTON COUNTIES, TEXAS, (RENEWAL OF GRAZING LEASE NO. 593). --This application for renewal of a grazing lease to Mrs. S. M. Owens covers 14,069.1 acres in Block 1, Sections 6, 7, 18, 19, 30, 31; and Block 4, Sections 3 through 24, and 28 through 33; University Lands, Reagan and Upton Counties, Texas. This lease is for a period of five years beginning January 1, 1958, and ending December 31, 1962. Rental is at the rate of \$0.40 per acre for the first year and \$0.50 per acre per year for the following four years, aggregate sum of which is \$33,765.88,

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to be paid in semi-annual installments as follows: \$2,813.82 on January 1, 1958, and July 1, 1958; and \$3,517.28 on January 1, 1959, and on the first day of July and January of each succeeding year until and including July 1, 1962.

APPLICATION FOR GRAZING LEASE NO. 735, MRS. N. D. BLACKSTONE, TERRELL COUNTY, TEXAS, (RENEWAL OF GRAZING LEASE NO. 601). --This application for renewal of a grazing lease to Mrs. N. D. Blackstone covers 12,203.6 acres in Block 37, Sections 1 through 24, University Lands, Terrell County, Texas, for a period of five years beginning January 1, 1958, and ending December 31, 1962. Rental is at the rate of \$0.35 per acre for the first year and \$0.42 per acre per year for the following four years, aggregate sum of which is \$24,773.34, to be paid in semi-annual installments as follows: \$2,135.63 on January 1, 1958, and July 1, 1958; and \$2,562.76 on January 1, 1959, and on the first day of July and January of each succeeding year until and including July 1, 1962.

APPLICATION FOR GRAZING LEASE NO. 736, TROY WILLIAMS, CROCKETT COUNTY, TEXAS, (RENEWAL OF GRAZING LEASE NO. 590 AND GRAZING LEASE NO. 693). --This application for renewal of Grazing Lease No. 590 combined with Grazing Lease No. 693 covers a total of 10,564 acres in Block 42, Sections 1, 12, 13, 24; Block 45, Sections 11 through 14, 17 through 24, 27, 28, 29, 30; University Lands, Crockett County, Texas. Grazing Lease No. 693 (344.0 acres) was an assignment of part of Grazing Lease No. 597 from O. B. Trapp Company to Mr. Williams. This lease is for a period of five years beginning January 1, 1958, and ending December 31, 1962. Rental is at the rate of \$0.35 per acre for the first year and \$0.42 per acre per year for the following four years, aggregate sum of which is \$21,444.92, to be paid in semi-annual installments as follows: \$1,848.70 on January 1, 1958, and July 1, 1958; and \$2,218.44 on January 1, 1959, and on the first day of July and January of each succeeding year until and including July 1, 1962.

APPLICATION FOR GRAZING LEASE NO. 737, J. E. HILL, ANDREWS COUNTY, TEXAS, (RENEWAL OF GRAZING LEASE NO. 586). --This application for renewal of a grazing lease to J. E. Hill covers 24,909.2 acres in Block 13, Sections 1 through 33 and 40 through 45, University Lands, Andrews County, Texas, for a period of five years beginning January 1, 1958, and ending December 31, 1962. Rental is at the rate of \$0.13 per acre for the first year and \$0.20 per acre per year for the following four years, aggregate sum of which is \$23,165.56, to be paid in semi-annual installments as follows: \$1,619.10 on January 1, 1958, and July 1, 1958; and \$2,490.92 on January 1, 1959, and on the first day of July and January of each succeeding year until and including July 1, 1962.

CALICHE PERMIT NO. 116, PHILLIPS PETROLEUM COMPANY, ANDREWS COUNTY, TEXAS. --This application for a caliche permit to Phillips Petroleum Company provides for the removal of 168 cubic yards of caliche from Section 36, Block 11, University Lands, Andrews County, Texas, at the rate of \$0.25 per cubic yard. The full minimum consideration of \$50.00 has been received.

RATIFICATION OF WATER CONTRACT NO. 74, HENRY L. STAFFORD, ANDREWS COUNTY, TEXAS. --This water lease contract to Henry L. Stafford, a subcontractor on a road construction project in Andrews County, will grant the right and privilege of producing water from a well located in Block 1, University Lands, Andrews County, Texas, for a period of one year

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beginning August 1, 1957, and ending July 31, 1958. Consideration is at the rate of \$0.10 for each 1,000 gallons for all water produced, payments to be made every three months covering the amount of water produced during the preceding three-month period. The amount of water produced shall be properly measured by Mr. Stafford and a true and accurate quarterly statement showing the total number of gallons of water so produced during the preceding three months shall be filed not later than the 15th day of the following calendar month. The contract has been signed by the Endowment Officer. Ratification of this water lease contract is recommended.

RATIFICATION OF WATER CONTRACT NO. 75, BOGLE OIL COMPANY, ANDREWS COUNTY, TEXAS. --This water lease contract to Bogle Oil Company will grant the right and privilege of producing water from Section 17, Block 14, University Lands, Andrews County, Texas, for the purpose of drilling Bogle Oil Company's Fisher Oil Well No. 1, located in Section 4, Block A-36, P. S. L. Survey, Andrews County, Texas. The full consideration of \$500.00 has been received. The contract has been signed by the Endowment Officer. Ratification of this water lease contract is recommended.

WATER CONTRACT NO. 76, McMILLAN-MOOR, HUDSPETH COUNTY, TEXAS. --This water lease contract to McMillan-Moor, a joint venture of Mr. Hugh McMillan and Lee Moor Contracting Company, will grant the right and privilege of producing water from a well located approximately three miles south of Highway No. 180 in Block E, University Lands, Hudspeth County, Texas, for the period beginning January 1, 1957, and ending October 6, 1957. Consideration is at the rate of \$0.10 per 1,000 gallons for all water produced, payments to be made every three months covering the amount of water produced during the preceding three-month period. The amount of water produced shall be properly measured by McMillan-Moor and a true and accurate quarterly statement showing the total number of gallons of water so produced during the preceding three months shall be filed not later than the 15th day of the following calendar month. The contract has been signed by the Endowment Officer. Ratification of this water lease contract is recommended.

TELEPHONE AND TELEGRAPH EASEMENT NO. 1045, SOUTHWESTERN BELL TELEPHONE COMPANY, HUDSPETH COUNTY, TEXAS. --This application for a telephone and telegraph easement covers a tract 50' by 50' on the west side of FM Road #111, in Section 13, Block J, University Lands in Hudspeth County, Texas, for the construction of a Repeater hut for housing equipment for extension of telephone service in the area. The period is January 1, 1958, through December 31, 1967, and the rental \$50.00 per year for the 10-year period payable in advance. The full consideration of \$500 for the 10-year period has been received.

REPORT OF SIGNING OF WATER CONTRACT NO. 71 WITH ANDREWS INDEPENDENT SCHOOL DISTRICT. --In accordance with action by the Board of Regents on January 12, 1957, Water Exploration Permit and Lease Option Agreement covering approximately 88,000 acres of University Lands in Andrews County has been executed on behalf of the School District and by the Chairman on behalf of the Board of Regents, and payment of \$2,500 covering exploration rights for the five-year period has been received from the School District.

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REPORT OF FILING OF VACANCY SUIT IN DISTRICT COURT OF PECOS COUNTY, BY E. H. COX. --It was reported to the Board of Regents on October 11, 1957, that the E. H. Cox vacancy application, S. F. 15880, was denied by the Commissioner of the General Land Office on September 17, 1957. The application involves the west boundary of Blocks 22, 23, and 24, University Lands in Pecos County. Citation has now been served on the Chairman of the Board of Regents giving notice of suit by E. H. Cox in the 83rd District Court of Pecos County in the nature of an appeal from the denial of the vacancy by the Commissioner of the General Land Office. A copy of the citation and petition has been referred to the Attorney General with a request that he represent the Board of Regents in the matter.

ASSIGNMENT OF PIPE LINE EASEMENT NO. 421 BY GULF OIL CORPORATION TO WARREN PETROLEUM COMPANY, CRANE COUNTY, TEXAS. --This assignment of Pipe Line Easement No. 421 by Gulf Oil Corporation to Warren Petroleum Company covers a strip of land sixteen feet wide across a portion of Section 3, University Block 31, Crane County, Texas, on which 187.87 rods of 3-inch pipe line and 166.66 rods of 6-inch pipe line were laid. The period of Easement No. 421 is June 1, 1949, through May 31, 1959, with the full consideration paid in advance. The standard assignment fee of \$25.00 and the \$1.00 fee covering filing of the instrument in the General Land Office have been received.

ASSIGNMENT OF PIPE LINE EASEMENT NO. 428 BY GULF OIL CORPORATION TO WARREN PETROLEUM COMPANY, CRANE COUNTY, TEXAS. --This assignment of Pipe Line Easement No. 428 by Gulf Oil Corporation to Warren Petroleum Company covers a strip of land sixteen feet wide across a portion of Sections 5, 6, and 8, University Block 38, Crane County on which 121.2 rods of 2-inch pipe line and 630.3 rods of 4-inch pipe line were laid. The period of Easement No. 428 is November 1, 1949, through October 31, 1959, with the full consideration paid in advance. The standard assignment fee of \$25 and the \$1.00 fee covering filing of the instrument in the General Land Office have been received.

HIGHWAY RIGHT-OF-WAY EASEMENT NO. 1050, TEXAS HIGHWAY DEPARTMENT, PECOS COUNTY, TEXAS. --This application for a highway right-of-way easement to the Texas Highway Department covers 25 tracts of land out of Sections 2, 11, 12, and 13, Block 24 and Sections 5, 6, 8, 9, and 10, Block 26, University Lands, Pecos County, Texas, for use as drainage channels for U. S. Highway No. 67, a total of 17.217 acres. No consideration is involved in this easement.

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TRUST AND SPECIAL FUNDS--INVESTMENT MATTERS. --

REPORT OF PURCHASES AND SALES OF SECURITIES. --The following purchases and sales of securities have been made for the Trust and Special Funds since the report of October 11, 1957. We ask that the Board ratify and approve these transactions:

PURCHASES

Date		Security	Principal Cost
10/17/57	\$4,000	par value The Proctor & Gamble Company 3-7/8% S. F. Debenture, due 9/1/81, purchased at 96-3/4 to yield 4.09% to maturity (Funds Grouped for Investment)	\$3,880.00
12/4/57	80	Shares Standard Oil Company of New Jersey Capital Stock, purchased at \$44.00 plus 30 rights per share (Hogg Foundation: W. C. Hogg Estate Fund)	3,520.00
	3	Shares Ditto (Hogg Foundation: Varner Properties)	132.00
	26	Shares Ditto (Funds Grouped for Investment)	1,144.00
	300	Rights to subscribe for Standard Oil Company of New Jersey Capital Stock, purchased from Walter Henry Scherer Fund for Dentistry (Funds Grouped for Investment)	60.95
12/12/57	\$4,000	Certificate of Deposit of The Austin National Bank of Austin, Texas, due June 12, 1958, to yield 3% per annum (John Charles Townes Foundation-Patman Trust Fund)	4,000.00
	\$5,000	maturity value United States Treasury Bills, due 4/15/58, purchased to yield 2.90% to maturity, with a discount of \$49.94 for 124 days (Murray Case Sel's Foundation Student Loan Fund)	4,950.06

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PURCHASES			
Date		Security	Principal Cost
12/17/57	\$7,000	par value Consolidated Natural Gas Company 5% Debentures, due September 1, 1982, purchased at 108.3928571 to yield 4.42% to maturity (Funds Grouped for Investment)	\$7,605.00
12/22/57	\$8,000	Certificate of Deposit of The Austin National Bank of Austin, Texas, due June 22, 1958, to yield 3% per annum (Ford Foundation for the School of Law)	8,000.00
12/31/57	1-25/100	Shares Gulf Oil Corporation Capital Stock, purchased from Wilbur S. Davidson Education Fund and Rosalie B. Hite Endowment for Cancer Research to round out stock dividend received on December 5, 1957 (Funds Grouped for Investment)	

SALES			
Date		Security	Net Proceeds
12/4/57	10	Rights to subscribe for Standard Oil Company of New Jersey Capital Stock (Hogg Foundation: Varner Properties)	\$ 2.03
	12	Rights Ditto (La Verne Noyes Foundation)	2.44
	300	Rights Ditto (Walter Henry Scherer Fund for Dentistry)	60.95
12/13/57	42/100	Fractional share The Dow Chemical Company Common Stock (Funds Grouped for Investment)	
	8/100	Ditto (Hogg Foundation: W. C. Hogg Estate Fund)	
	8/100	Ditto (Wilbur S. Davidson Educational Fund)	
	8/100	Ditto (Will C. Hogg Memorial Scholarships Endowment)	
12/31/57	45/100	Fractional share Gulf Oil Corporation Capital Stock (Hogg Foundation: W. C. Hogg Estate Fund)	

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Date	SALES Security	Net Proceeds
12/31/57	65/100 Ditto (Wilbur S. Davidson Educational Fund)	
	65/100 Ditto (Rosalie B. Hite Endowment for Cancer Research)	
	45/100 Ditto (The Will Rogers Memorial Scholarship Fund)	
12/31/57	48/100 Fractional share Monsanto Chemical Company Common Stock (Funds Grouped for Investment)	

PURCHASES MADE BY TEXAS WESTERN COLLEGE

Date	Security	Principal Cost
11/7/57	\$40,000 U.S. Treasury Bills, dated 11/7/57, due 2/6/58, purchased at 99.097 to yield 3.57% (Building Fund Amendment (5¢ Ad Valorem Tax) Funds)	\$39,638.80
11/7/57	\$33,000 U.S. Treasury Bills, dated 11/7/57, due 2/6/58, purchased at 99.097 to yield 3.57% (Student Union Building Construction Funds - Fees)	32,702.01
11/57	\$9,000 U.S. 2-1/2% Treasury Bonds, due 11/15/61, purchased at 94-8/32 (Dormitory Revenue Bond Reserve Fund)	8,482.50

ARTS AND SCIENCES FOUNDATION - RECOMMENDATION RE SALE OF COMMON STOCK GIFT. --An anonymous donation of the following stocks has been made to The University of Texas Arts and Sciences Foundation to be used as a scholarship for some needy Plan II student:

See Page 492.

19.864	Shares Investors Mutual, Inc., Special Capital Stock
28	Shares Allied Finance Co., Dallas, Texas, Capital Stock
1	Share Pittston Company Common Stock

This gift is being presented to the Board of Regents for acceptance in the President's Docket at the current meeting. The donor has stated that the securities are to be sold as soon as practicable and the proceeds used for the purpose stated. Accordingly, it is recommended that the Endowment Officer be authorized to sell the stocks listed above and to turn over the net proceeds to the Auditor for the benefit of the Arts and Sciences Foundation to be used as stipulated by the donor.

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TRUST AND SPECIAL FUNDS--GIFTS, BEQUEST AND ESTATE MATTERS.--

TOREADOR ROYALTY CORPORATION - REPORT ON PENDING MATTERS AND RECOMMENDATION FOR PROXIES FOR STOCKHOLDERS' MEETINGS.--On October 11, 1957, there was reported to the Board of Regents a tentative proposal, received through Lazard Freres, investment bankers, for the exchange of certain mineral interests to Toreador Royalty Corporation for Common Stock of Toreador, par value 62-1/2¢ per share, which would be issued after action by its stockholders for an increase in the Corporation's authorized capital stock. The Board of Regents, holding as Trustee all 800,000 shares of the Preferred Stock of the Corporation for the Toreador Trust Fund for Salary Supplementation for the School of Law, expressed its approval of the general plan proposed and authorized the two Directors representing the Preferred Stock, James L. Shepherd, Jr., and Endowment Officer Stewart, to vote as Directors for such plan, and constituted these two as proxies to vote the Preferred Stock in favor of increasing the authorized Common Stock. See Page 606.

Thereafter, meetings of the Board of Directors of the Corporation were held on November 6 and 7, November 25, and December 12 for consideration of the pending proposal, and a contract dated December 12, 1957, has been entered into between Toreador Royalty Corporation and Pease River Cattle Corporation providing for the following:

- (1) Increase of Toreador's authorized Common Stock from 800,000 shares to 2,000,000 shares, all 62-1/2¢ per share par value.
- (2) Increase of Toreador's Board of Directors to ten from the present seven by increasing Directors representing Common Stock from five to eight and election of three new Directors nominated by Pease River Cattle Corporation.
- (3) Issuance and delivery by Toreador of 310,000 shares of its newly authorized Common Stock to Pease River Cattle Corporation in exchange for approximately 115,125 net acres of minerals, most of which are in Texas with a small portion in Montana and the larger portion being an undivided interest under acreage out of the old Matador Land and Cattle Company under which Toreador presently holds an undivided interest.

Notice of Special Meeting of Stockholders on January 13, 1958, to consider and act on (1) and (2) above has been issued (copy of Notice and Proxy Statement in Secretary's files); and, if necessary action is taken at that meeting, it is expected that the exchange with Pease River Cattle Corporation will be closed shortly thereafter. See Secretary's Files, Vol. V, Page 146.

It is recommended that the Board of Regents constitute James L. Shepherd, Jr., Wm. W. Stewart and John Mackenzie, Jr., each or either of them, as its proxies to vote the Preferred Stock of Toreador Royalty Corporation at the Special Meeting of Stockholders called for January 13, 1958, for items (1) to (3), inclusive, set out in the Notice of such meeting, and with respect to such other business as may come before the special meeting or any adjournment or adjournments thereof.

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It is further recommended that the Board of Regents constitute James L. Shepherd, Jr., and Wm. W. Stewart and each or either of them as proxies to vote the Preferred Stock at any other meeting of Stockholders of Treador Royalty Corporation held prior to the next meeting of the Board of Regents.

M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE - RECOMMENDATION RE DEED FROM W. W. KING. --Mr. W. W. King of Bronson, Texas, has delivered to M. D. Anderson Hospital and Tumor Institute a deed which he executed on October 29, 1957, purporting to convey to the University as a gift a 5-acre tract in the Brazos Coast Investment Company's Subdivision, an undivided one-half interest in another tract of 5 acres in the same Subdivision, the oil, gas and other minerals under 15 acres in the same Subdivision, and 4 lots in the City of Velasco, all in Brazoria County, Texas. Investigation by the Business Manager of M. D. Anderson Hospital and Tumor Institute, the Land and Trust Attorney, and the Endowment Officer has established that Mr. King's title to the portions of this property of any significant value, and probably to all of it, is subject to serious question.

It is recommended, Dr. Clark concurring, that the Board of Regents decline this gift, and that President Wilson return the deed to Mr. King with expressions of regret.

TRUST AND SPECIAL FUNDS--REAL ESTATE MATTERS. --

HOGG FOUNDATION: VARNER PROPERTIES - REPORT AND RECOMMENDATION RE DELINQUENT TAXES ON VARNER BUILDING SOLD TO PAPPAS COMPANY, INC., UNDER VENDOR'S LIEN AND DEED OF TRUST NOTE. -- As of July 8, 1954, the Board of Regents as Trustee sold to Pappas Company, Inc., the Varner Building Property at Louisiana and Preston in Houston for a total of \$550,000 of which \$100,000 was paid in cash and the balance, evidenced by Vendor's Lien and Deed of Trust Note, is payable in monthly installments over a period of 25 years. Monthly installments, presently at \$2,376.00 each, including interest, have been made promptly. Present principal balance is \$414,867.66. Interest is at 4% to January 15, 1960, and thereafter at 4-1/2%. The Deed of Trust carries customary provisions as to insurance on the building and payment of ad valorem taxes before they become delinquent. See Page 609.

Early in 1957, it was determined that taxes had become delinquent on the property. Pappas Company, Inc., in June, after inquiries from the Endowment Office, sent receipts showing recent payment of all 1956 taxes on the property and stated that arrangements had been made on taxes for prior years (1954 and 1955). It was understood such arrangement was for installment payments to the tax collectors.

Since June, three letters from the Endowment Office and one from the Land and Trust Attorney urging a report on the matter brought no response. Delinquent tax statements now show 1955 and 1957 and balance of 1954 City and Independent School District taxes, including penalties and interest, at \$23,059.22. Delinquent 1954 and 1955 State and County taxes, including penalties and interest, amount to \$4,228.63, and 1957 taxes not paid at date of statement and becoming delinquent February 1, 1958, amount to \$2,395.96.

It is recommended that the Board of Regents authorize the Endowment Officer to notify Pappas Company, Inc., that the Board expects to direct at its next following meeting immediate foreclosure proceedings unless all delinquent taxes have been paid in full by that date or a plan of retirement of these taxes satisfactory to the Board is presented at that meeting.

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HOGG FOUNDATION: VARNER PROPERTIES - REPORT AND RECOMMENDATION RE INSURANCE CARRIED BY LESSEE ON TEXAS STATE HOTEL PROPERTY. --The 99-year lease, as amended, covering the Texas State Hotel (Finnigan) Property in Houston provides that the Lessee, now Houston Industries, Inc., shall carry insurance on the improvements against fire and other hazards customarily insured against in the amount of at least 75% of the insurable value. The insurance is to be carried "by standard insurance companies of recognized responsibility and credit, authorized to do business in the State of Texas, satisfactory to the Lessor". The policies are to provide for loss payable to the First City National Bank of Houston, Trustee.

Present fire and extended coverage insurance carried by the Lessee is as follows:

<u>Company</u>	<u>Amount</u>
American General Insurance Co.	\$ 830,000
Aetna Insurance Co.	100,000
Reliance Marine Insurance Co. Ltd.	470,000
Maritime Insurance Co. Ltd.	150,000
Fireman's Fund Insurance Co.	50,000
Fire Association of Philadelphia	75,000
U.S. Fire Insurance Co.	25,000
Niagara Fire Insurance Co.	300,000
	<u>\$2,000,000</u>

This total coverage is approximately 85% of the estimated present insurable value of the improvements of approximately \$2,367,000. The estimate has been furnished the University by an independent agent believed competent.

It is recommended that the Board of Regents as Lessor approve this coverage as meeting the requirements under the lease, with the Endowment Officer to notify First City National Bank of Houston, Successor Trustee under the agreement, of such approval.

TEXAS WESTERN COLLEGE, CANCELLATION OF LEASE TO SIDNEY A. STALLMAN, COTTON ESTATE PROPERTY, EL PASO, TEXAS. --At the June, 1957 meeting of the Board of Regents, approval was given for a lease to Mr. Sidney A. Stallman on approximately 2.5 acres in the Cotton Estate property fronting on both Fifth and Sixth Streets for the operation of a used pipe and machinery and scrap metal business. It then developed that Mr. Stallman encountered unforeseen difficulties in carrying out his plans and was unable to enter into the lease.

It is recommended, with the approval of President Holcomb and Business Manager Smith of Texas Western College, that the authorization for the lease be cancelled.

HUNTINGTON LANDS - RIGHT-OF-WAY EASEMENT, SOUTHWESTERN BELL TELEPHONE COMPANY, GALVESTON COUNTY, TEXAS. --This application from Southwestern Bell Telephone Company is for the renewal of a right-of-way easement 872 rods in length for a buried cable line across certain of the Huntington Lands belonging to the University in Galveston County, Texas, out of the Sam Bundick Survey, Abstract No.7. The easement is adjacent and parallel to the Southern Pacific Railroad tracks. The period is November 1, 1957 through October 31, 1967 at \$0.05 per rod per year payable in advance for the 10-year period, a total of \$436.00.

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M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE: ROSALIE B. HITE ESTATE - OFFER FROM BEN TAUB ET AL FOR PURCHASE OF PROPERTY AT CAPITOL AND LA BRANCH, HOUSTON, TEXAS. --
 Mr. Ben Taub and associates of Houston, who own the property adjoining on both sides, have offered \$42,500.00 for the Hite Property on the southwest corner of Capitol and La Branch in Houston. The property has been described as 50' by 100' out of Lots 4 and 5, Block 76 SSBB, plus a strip of 5 feet along the east side quitclaimed by the City of Houston in 1924 and described as an encroachment into La Branch Street as approved by the City Council. This would give a frontage of 55 feet on Capitol Avenue and 100 feet on La Branch Street. However, other ownership records show only 50 feet on Capitol Avenue owned by the University, and some title conflict with the Taub property has been anticipated if ownership of 55 feet is to be supported.

The University's property is unimproved, as is the major portion of the block, and is under a one-year parking lot lease to Clyde Paul, subject to cancellation, at \$150 per month. Mr. Paul also rents the Taub property and no better rental proposals have been obtained on the University's property due to its size and the difficulty of operating it separately as a profitable parking lot. The property is 5 blocks east of Main Street in an area offering no significant prospects for increment in value. It is carried on the University's books at \$17,500, the appraised value in the Hite Estate in 1944. In January, 1956, it was appraised at \$15 per square foot by M. H. James of Houston. In September, 1957, it was appraised by Neville F. Allison at \$8 per square foot or \$40,000 for frontage of 50 feet on Capitol Avenue and \$44,000 for frontage of 55 feet. The Taub offer is made subject to negotiation of terms. It is recommended that the Board of Regents decline the offer.

MEDICAL BRANCH: SIVERT BROWN ESTATE - PROPOSAL FOR SALE OF 15 ACRES, JOHN CUMMINGS LEAGUE, ABSTRACT 57, BRAZORIA COUNTY, TEXAS, TO LEON FINLEY. --A tract of approximately 15 acres in the John Cummings League about 2 miles from the town of Sweeny was acquired from the Estate of Sivert Brown in 1934 in settlement of an account due John Sealy Hospital. It has been rented for several years to Mr. Leon Finley, who lives in the area, for grazing purposes. Present rental is \$1 per acre annually. It is partially fenced, and Mr. Finley uses it with three other small tracts which he rents. The University's tract is about 3/4 mile from Mr. Finley's home and the nearest road. It is near the Oil Ocean Oil Field but tests to date in the immediate area have brought no prospects of production. It has been leased again in recent weeks to Pan American Petroleum Corporation for bonus of \$50 per acre and annual delay rental of \$7.50 per acre.

Mr. Finley has expressed a desire to buy the surface for cash, desiring to obtain a small royalty interest with the surface, and has indicated he will pay \$75 per acre. This price is in line with one other recent sale in the area, and investigation of opinions in the area indicates this to be a fair value, taking into account the size of the tract and problems of access. It is recommended that the Board of Regents authorize sale of this tract to Leon Finley for \$75 per acre cash, all minerals to be reserved except for a perpetual, non-participating royalty interest of 1/32 to be conveyed to the purchaser, provided Mr. Finley signs a contract of sale

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approved by the Endowment Officer and the Land and Trust Attorney not later than February 11, 1958, and deposits \$100 earnest money. The University would furnish a survey and a title guaranty policy.

TRUST AND SPECIAL FUNDS - REVENUE BOND FINANCING MATTERS.--

MAIN UNIVERSITY - PROPOSED EXPANSION OF TEXAS UNION BUILDING - FILING OF FINAL LOAN APPLICATION WITH HOUSING AND HOME FINANCE AGENCY. --In response to our request of November 14, 1957, approval was given by the Housing and Home Finance Agency for an extension of time to January 22, 1958, for filing the final application for expansion of the Union Building at the Main University. Approval of the preliminary plans and specifications for the project is being recommended through the Buildings and Grounds Committee at this meeting. In line with authorizations given at the June, 1957, meeting of the Board, the sum of \$1,500,000 at 2-7/8% interest is to be available through the Housing and Home Finance Agency with the remaining \$400,000 of bonds to be sold by the University. See Page 616.

Ratification of the extension of time and the filing of the final application is recommended.

For information: (See Page 23 .) Addendum to See Page 459.

BOND PURCHASE PROGRAM (1964-69 Maturities)

Under Contract of November 30, 1957

		Cost*
University of Texas	\$1,956,000.00	\$1,908,765.00
A. & M. College	1,095,000.00	1,066,788.60
	<u>\$3,051,000.00</u>	<u>\$2,975,553.60</u>

*Including commissions but excluding accrued interest paid

Under Supplemental Agreement of December 20, 1957
For delivery July 1, 1958

University of Texas	\$542,000.00
A. & M. College	265,000.00
	<u>\$807,000.00</u>

Totals

University of Texas	\$2,498,000.00
A. & M. College	1,360,000.00
	<u>\$3,858,000.00</u>

of the \$5,100,000 of the 1964-69 Maturities

Adoption of Report. -- Vice-Chairman Sorrell moved approval of the recommendations of the Land and Investment Committee. Mrs. Devall seconded the motion which carried.

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REPORTS ON (1) TRUST AND SPECIAL FUNDS INVESTMENTS AND (2) PERMANENT UNIVERSITY FUND INVESTMENTS, BOTH FOR FISCAL YEARS ENDED AUGUST 31, 1957. --Under date of December 17, 1957, Endowment Officer Stewart furnished direct to the members of the Board of Regents copies of the Report on Trust and Special Funds Investments, The University of Texas, for the Fiscal Year Ended August 31, 1957, and the Report on Permanent University Fund Investments, The University of Texas, for the Fiscal Year Ended August 31, 1957. A bound copy of each of these reports was also distributed to each Regent at the meeting. These reports are filed in the Office of the Board of Regents.

REPORT OF MEDICAL AFFAIRS COMMITTEE. --Below is a resume of the meeting of the Medical Affairs Committee. Each item requiring action was discussed in detail and was adopted by a separate motion.

PROGRESS REPORTS, MEDICAL UNITS. --With reference to the Medical Branch, Hamilton and Associates, Inc., did not have a report for this meeting but is expected to have one for the March meeting. Doctor Truslow is working with Mr. Hamilton in an effort to solve some of the problems that are delaying completion of the survey. No official report has been received from the State Board of Health regarding the request of the Sealy and Smith Foundation for \$1,000,000 (Hill-Burton money) in matching funds for a teaching research and psychiatric service unit of 150 beds or less. However, until the Hamilton survey is complete, action cannot be taken with reference to this proposed new psychiatric hospital (Permanent Minutes, Volume V, Page 346). Doctor Truslow indicated that for the record a formal report on administrative reorganization at the Medical Branch will be completed and ready for presentation to the Board by September, 1958.

For The University of Texas M. D. Anderson Hospital and Tumor Institute, it was reported that the preliminary draft of the application for tax-exempt status of the Association of Physicians, which was prepared by Mr. Benjamin L. Bird, had been submitted to, and approved by, Chairman Jeffers, President Wilson, and Doctor Clark. See Page 577.

At the December 1957 meeting of the Council on Medical Affairs there was presented a comparative analysis of the Medical Branch and Southwestern Medical School. A copy of this report is in the Secretary's Files, Volume V, Page 156. At the same meeting of the Council, the proposed school of nursing at the Texas Medical Center was discussed. This project is still being explored.

FINANCIAL STATUS OF DORMITORIES, THE UNIVERSITY OF TEXAS MEDICAL BRANCH; DORMITORY BOND ISSUE, 1955. --The Medical Affairs Committee duly considered the financial status of The University of Texas Medical Branch Dormitory Revenue Bond Issue of 1955 as set out in the Material Supporting the Agenda. Of the two alternatives available: (1) to impose parietal rules as specified in the bond resolution or (2) to adopt policies designed to reduce operating expenses to a minimum and to increase project occupancy by drawing on sources outside the students and staff of the Medical Branch, the Medical Affairs Committee recommends the adoption of Alternate No. (2). See Page 577.

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The changes proposed by the administration to reduce operating expenses to a minimum and to increase project occupancy by drawing sources outside the students and staff of the Medical Branch are:

1. Increase the rental rate for the 30 apartments in the apartment building from the present \$75 to \$85 per month. This change is to be made effective on July 1, 1958, when present contracts expire.
2. Increase the rental rate for transient occupancy of the rooms in the Faculty Housing Lounge and Cafeteria building from the present \$3.50 per day to \$5.00 per day. This change has already been made effective.
3. Assign one dormitory unit for the exclusive use of ambulant patients and their attendants. This dormitory now contains 18 units, each comprised of two bedrooms with interconnecting bath. By refurnishing one bedroom in each unit, these units could be converted into suites comprised of a sitting room, bedroom, and bath. Necessary new furniture would include such items as chairs, sofas, reading lamps, etc., some of which could be taken from the faculty lounge. Mr. E. D. Walker is now preparing an estimate of the probable total cost of new furniture required, which total is believed to be modest. The indicated source of funds for this furniture would be general funds of the Medical Branch.

It is proposed that one of the converted suites be assigned to a full-time resident nurse and that the remaining 17 suites be rented to ambulant patients and their attendants at a daily rental rate of \$12 for either single or double occupancy. Dr. Titus Harris and others believe that it will be possible to keep this dormitory fully occupied throughout the year.

This conversion is to be effected as soon as it is possible to furnish the suites and to move present occupants from the dormitory to vacant rooms in other dormitory units.

4. Curtail the present volume of telephone service drastically. At the moment, a telephone is installed in each room in the dormitory units and the Faculty Housing Lounge project, with a resulting annual telephone service cost of approximately \$17,500. It is proposed to reduce telephone service to the essential minimum as soon as is practicable, which step will effect an annual saving of approximately \$10,000.

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5. Eliminate the present free laundry service which is provided to occupants of the apartments and dormitory units and which probably costs from \$4,000 to \$5,000 a year. It is proposed to convert the laundry machines to coin operation and to turn over the operation of the machines to a local servicing agency under contract providing that a stated percentage of the gross income will be paid to the housing project.
6. Further economies, ranging from \$10,000 to \$15,000 a year, can be effected by reducing maid and porter service and placing the dormitory more nearly on a self serve basis.

With the exception of Items 1 and 3 the above proposals have been put into effect or are now in the process of being placed in effect. Only Items 1 and 3 require the approval of the Board.

The Medical Affairs Committee recommended:

1. Increase the rental rate for the 30 apartments in the apartment building from \$75 to \$85 per month effective July 1, 1958.
2. Assign Dormitory No. 6 (League Hall) containing 18 units for the exclusive use of ambulant patients and their attendants. Each unit consists of two bedrooms with interconnecting bath. Convert some of these units into suites consisting of a sitting room, bedroom, and bath. It is recommended that some, the exact number to be determined by the administration, be left as single units. Assign one suite to a full time resident nurse; rent the remaining suites to ambulant patients and their attendants at a daily rental of \$12 for single occupancy and \$3 per person for each additional occupant; and rent the single rooms at a daily rental of \$6 for single occupancy and \$9 for double occupancy.

The foregoing recommendations were adopted upon motion of Doctor Minter, seconded by Vice-Chairman Sorrell.

Bond Service Requirement for the Fiscal Year 1957-58, General Funds of the Medical Branch. -- The Medical Affairs Committee also recommended that the deficit in the bond service requirement for the fiscal year 1957-58 be provided from the general funds of the Medical Branch with the understanding that these advances as well as those for the year 1956-57 will be repaid to general funds from such net operating revenues of the dormitory project as may be available for this purpose in future years.

Upon motion of Vice-Chairman Sorrell, duly seconded, the Board approved the foregoing recommendation.

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ADMISSIONS POLICY BROCHURE. --Upon motion of Doctor Minter, seconded by Vice-Chairman Sorrell, the Board adopted the Admissions Policy Brochure as approved by the Council on Medical Affairs and recommended by the Medical Affairs Committee.

STATEMENT OF ADMISSION POLICY IN MEDICAL SCHOOLS
OF THE UNIVERSITY OF TEXAS

Admission to a school of medicine is not a right acquired by meeting the minimal entrance requirements but is a privilege extended to those especially qualified applicants who give promise of making the best physicians for the future. Selection of students is on a competitive basis and the responsibility of selecting those best qualified is delegated to an Admissions Committee selected from experienced faculty personnel, representing a cross-section of disciplines including both basic science and clinical backgrounds and numbering from five to eight members.

At the beginning of each year, the Admissions Committee establishes the general criteria for the evaluation of applications. In general, it is the policy to develop a formula based upon the total of 100 with a percentage assigned to each of the several criteria for judgment. Thus, the college record is assigned a value of 60-70%, the Medical College Admission Test 10-20%, and the remaining percentage to the evaluation by college advisors, experienced interviewers, and others having personal knowledge of the applicant's aptitudes, motivations, etc.

While there is no absolute upper age limit, it is necessary to take cognizance of the problem when the applicant is above the age of 30 years. Other factors being equal, preference is given to the younger applicant.

Application must be filed prior to March 1 (proposed to change to February 1) of the year in which admission is requested.

Each applicant must assume the responsibility for seeing that all required data, including application, transcripts, letters of recommendation and Medical College Admission Test scores, are received by the Committee. Acceptances are offered on a provisional basis pending satisfactory completion of all college work and creditable performance on the Medical College Admission Test.

The scores on the Medical College Admission Test are appraised in their relation to the applicant's scholastic record and the institution in which premedical work was taken. In general, however, applicants whose scores on this test rate them among the lower 16% of the nation are not given favorable consideration.

The Admissions Committee meets at regular intervals beginning in October and carefully considers the record of each applicant who has met the minimum requirements. Those applicants considered best qualified are invited to the Medical

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School campus and interviews are conducted by experienced individuals whose appraisals are submitted individually to the Committee as a whole. Applicants are accepted by a majority vote of the Admissions Committee and this procedure is continued until the class is filled.

CENTRAL ADMINISTRATION

AMENDMENT TO THE RULES AND REGULATIONS, PART II, CHAPTER I, SECTION 13 - REPORTS ON OUTSIDE EMPLOYMENT.--

At the November 26, 1943, meeting of the Board the following policy relating to Page 17, Section 13, Chapter I, Part II of the Rules and Regulations of the Board of Regents for the Government of The University of Texas was adopted: See Page 628.

That all faculty members and other employees who have any contract or other arrangement with third parties for outside employment for which they receive compensation be required to file an annual report on forms furnished by the University showing the following facts, to wit:

1. The name of his or her employer.
2. The nature of such employment and a detailed statement of the exact character of the services rendered by such faculty member or other employee.
3. The full amount of compensation received during the year from such service.
4. The amount of time, measured by hours per day and days per month, which such faculty member or employee devotes to such outside employment.
5. The amount of time measured by hours per day and days per month that such faculty member devotes to his work for the University and giving the exact nature of the services performed for the University,

and that it be further ordered by the Board of Regents that all such outside employment by faculty members and employees be terminated at the end of each calendar year unless the Board of Regents on the recommendation of the President shall grant permission for such outside employment, which in no event shall be extended for more than one year at a time.

President Wilson recommended to the Board that the portion of the policy relating to reports of outside employment be rescinded. (Items 1 through 5 above.) In accordance with Page 5, Section 2, Chapter V, Part I of the Rules and Regulations, this recommendation will lie over until the next meeting of the Board for final consideration.

PURCHASE, LAW LIBRARY OF JUDGE SCOTT GAINES. --President Wilson recommended that the Board purchase the Law Library used by the University Attorney which was accumulated by Judge Scott Gaines and is the property of his estate. He reported that three separate appraisals, ranging from \$3,355 to \$3,500, had been made of this collection. Upon motion of Vice-Chairman Sorrell, seconded by Mr. Bryan,

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the Board authorized the purchase of the Law Library of Judge Scott Gaines for the sum of \$3,000 payable from the Available Fund Unappropriated Balance.

POLICIES FOR LEGISLATIVE BUDGET REQUESTS (BIENNIUM 1959-61). --

Upon motion of Vice-Chairman Sorrell, seconded by Mr. Thompson, the Board adopted the following policies to be followed in the preparation of the Legislative Budget Requests for The University of Texas System for the biennium 1959-61:

See Page 1061

1. Salary Advances for the Teaching Staff

10% over institutional 1958-59 budgeted salaries, the entire amount to be included in the request for the first year of the biennium.

At the Medical Branch in Galveston, 15% over the institutional 1958-59 budgeted salaries, the entire amount to be included in the request for the first year of the biennium.

2. Salary Advances for the Non-Teaching Staff

One step over institutional 1958-59 salaries, the entire amount to be included in the request for the first year of the biennium.

In the case of classified positions where the 1958-59 salary rate is below the minimum for the job classification, the salary rate is to be requested at the first step in the classification pay range, or, in the event that the resulting advance is less than 5%, at the second step in the pay range.

3. New Teaching Positions

At the Main University and at Texas Western College, estimate requirements on the basis of an 18 to 1 student-teacher ratio.

At the Medical Branch in Galveston, sufficient new positions to bring the student-teacher ratio to the normal level for good medical schools.

4. New Non-Teaching Positions

Generally few; hold to a minimum.

5. Maintenance and Equipment

Only such amounts as are needed, but not to exceed 10% over the amounts budgeted in 1958-59.

At Southwestern Medical School, such additional amounts as may be needed to reach full operation of the new building.

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6. Special Equipment

Special Equipment includes capital outlay items which are of a non-recurring nature; it excludes equipment items which constitute the normal expenditure of departmental funds for either additions or replacements. All Special Equipment requests must be fully justified.

7. Special Situations

- (a) Non-classified Administrative Personnel. Salaries for these classifications to be recommended at rates that keep the salaries competitive.
- (b) Medical Branch. The request is to be based on the operation of the number of beds in use in 1958-59. Supplementary schedules indicating the additional legislative appropriations which would be required to activate 200 beds may be prepared.

APPROVAL OF MINUTES, NOVEMBER 21-22, 1957 MEETING.--The minutes of the meeting of the Board of Regents for November 21-22, 1957, upon motion of Mr. Thompson, seconded by Vice-Chairman Sorrell, were approved in the form as submitted by the Secretary to each member.

RATIFICATION OF ACTION OF CHAIRMAN, ACCEPTANCE OF GIFT FROM MISS IMA HOGG, GENERAL DYNAMICS CORPORATION STOCK.-- Upon motion of Vice-Chairman Sorrell, seconded by Mrs. Devall, the Board adopted the following resolution as a ratification and confirmation of the acceptance of a gift of 395 shares of the General Dynamics Corporation Common Stock:

WHEREAS, On December 30, 1957, Miss Ima Hogg tendered as a gift to The University of Texas the following stock certificates of the General Dynamics Corporation, endorsed in favor of The University of Texas and totaling 395 shares:

<u>Certificate No.</u>	<u>No. of Shares</u>
G-96413	100
G-118877	100
G-118878	100
G0142380	65
G0125878	<u>30</u>
Total No. of Shares	395

WHEREAS, This gift was made upon the condition that The University of Texas might either hold the stock or sell it and reinvest the proceeds in income-bearing stock, but that the income only could be used in the field of psychiatry under the administration of the Hogg Foundation; and

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WHEREAS, On December 31, Mr. Leroy Jeffers, Chairman of the Board of Regents of The University of Texas, did accept this gift on behalf of The University of Texas subject to all of the conditions prescribed by Miss Ima Hogg; now therefore be it

RESOLVED, That the Board of Regents of The University of Texas does hereby ratify and confirm the acceptance of this gift by its chairman and hereby obligates itself to use this gift in conformity with the purposes and conditions expressed; and be it further

RESOLVED, That the Board of Regents of The University of Texas hereby expresses to Miss Ima Hogg its sincere appreciation for this further expression of her generosity and her interest in psychiatric study and research as a means for improving the mental health of the community.

APPROVAL OF DOCKET. --According to usual procedure, President Wilson mailed to each member of the Board in advance of the meeting a docket for Central Administration. To this docket he had attached and incorporated the dockets of the component institutions of The University of Texas; namely:

- Main University and Extramural Divisions -
submitted by Vices-President and Provost
Harry H. Ransom Page 504
- Texas Western College -
submitted by President Dysart E. Holcomb Page 533
- Medical Branch -
submitted by Executive Director John B. Truslow Page 536
- Dental Branch -
submitted by Dean John V. Olson Page 552
- M. D. Anderson Hospital and Tumor Institute -
submitted by Director R. Lee Clark, Jr. Page 557
- Southwestern Medical School -
submitted by Dean A. J. Gill Page 565
- Postgraduate School of Medicine -
submitted by Dean Grant Taylor Page 570

President Wilson called attention to the following in the docket:

- I. Revisions
 - A. Deletion "Purchase from a Staff Member",
Page M-15 See Page 518.
 - B. Change in title and effective date, Item 15,
Page G-3 See Page 485.
- II. New Items
 - A. Travel Supplements (Central Administration and
Main University) See Page 525.
 - B. Reappropriation of 1956-57 General Budget
Balances to 1957-58 General Budget Accounts,
Pages M-17a through M-17d See Page 521.

On motion of Mr. Thompson, duly seconded, the Central Administration docket, dated January 2, 1958, was approved as revised. However, Item 2 of Faculty Legislation on Page M-15 will be presented as a special

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item for final approval at the next meeting in order to conform to the existing regulations for adopting amendments (Part I, Chapter V, Section 2 of the Rules and Regulations of the Board of Regents for the Government of The University of Texas, Sixth Edition).

REPORT FOR RECORD: MEMBERSHIP, UNIVERSITY DEVELOPMENT BOARD. --In the Material Supporting the Agenda it was called to the attention of the Board that the records in the Office of the Secretary of the Board of Regents do not include any formal report of the membership of the University Development Board. The only members referred to are those appointed by the Board of Regents. In order to complete the records, the membership of the Development Board as of January 1, 1958, is listed below. All members have been appointed in accordance with the action of the Board of Regents January 23, 1954 (Permanent Minutes, Volume I, Page 343). See Pages 759 and 1057.

MEMBERS OF UNIVERSITY DEVELOPMENT BOARD
JANUARY 1, 1958

<u>Name</u>	<u>Term Expires</u>
Appointed by Ex-Students Executive Council:	
Mr. J. M. Odom, Chairman	August 31, 1958
Mr. Hines H. Baker	August 31, 1962
General J. M. Bennett, Jr.	August 31, 1958
Mr. L. H. Cullum	August 31, 1960
Mr. C. R. Smith	August 31, 1962
Elected by General Faculty, Main University:	
Doctor Harry H. Ransom	August 31, 1960
Doctor Roger J. Williams	August 31, 1958
Appointed by Board of Regents:	
Mr. J. A. Gooch	August 31, 1962
Mr. George P. Hill	August 31, 1958
Mr. A. G. McNeese	August 31, 1960
Mrs. Ben F. Vaughan, Jr.	August 31, 1960
Mr. Dan C. Williams	August 31, 1962
Ex Officio Member:	
President Logan Wilson	

REPORT FOR RECORD: RECOMMENDATION TO TEXAS COMMISSION ON HIGHER EDUCATION RE SELECTED PROGRAMS (HOME ECONOMICS, MAIN UNIVERSITY). --Pursuant to action taken at the November meeting, President Wilson submitted by mail to each member of the Board the following revised recommendation concerning the report to the Texas Commission on Higher Education with regard to the program in Home Economics at the Main University:

For the foreseeable future, all doctoral programs in Home Economics should be conducted at Denton. At the same time, in view of the fact that the Commission reported that the

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University's long session undergraduate semester credit hour total in Home Economics was larger than at any other Texas institution, there is no question but that the bachelor's program should be maintained and strengthened. Recognizing the need to develop a strong and well-rounded graduate program in at least one institution, The University of Texas would relinquish all master's degree work, with the exception of one area of specialization in which it has already achieved considerable eminence. This is the field of Nutrition, in which the University has the additional advantage of a very outstanding supporting program in Bio-Chemistry. It is our proposal that all other areas of specialization be dropped.

This recommendation was approved by the Board by mail ballot, and President Wilson submitted it to the Commission December 10, 1957.

ADJOURNMENT. --The Board adjourned at 2:00 p.m.

Betty Anne Thedford
Betty Anne Thedford
Secretary

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TABULATION OF BIDS

COMPLETION OF THIRD & FOURTH FLOORS-EAST END
EXPERIMENTAL SCIENCE BUILDING
THE UNIVERSITY OF TEXAS - MAIN UNIVERSITY
AUSTIN, TEXAS

2:00 P.M., Central Standard Time
December 18, 1957

GENERAL CONTRACT

General Contractors	Check or Bond	Bid No. 1 General Contract	Alt. No. 1-G	Alt. No. 2-G
			Omit Venetian Blinds (Deductive)	Omit Asphalt Tile (Deductive)
D. Anderson	5% B	\$ 59,000	\$ 1,400	\$ 760
H Construction Company	5% B	74,336	1,275	700
He-Kitchens Const. Co.	5% B	77,247	1,300	785
y Construction Company	5% B	69,787	1,350	300
Holstien, Inc.	5% B	66,832	1,300	700
He H. Lott Company	5% B	48,569	1,548	760
I. Odom	5% B	68,697	1,400	600
W. R. Rundell	\$4,000 B	76,527	1,399	765
Wemberly	5% B	71,800	1,400	800
rough Construction Co.	5% B	62,457	1,375	725

MECHANICAL CONTRACT

Mechanical Contractors	Bid No. 2 Plumbing Contract	Bid No. 3 Heating Air Cond., Vent., Contract	Alt. No. 1-ACV (Deductive) Remote Temp. Indications	Combined Bids No. 2 and No. 3	Bid No. 4 Electrical Contract	Alt. No. 1-E
						(Deductive) Omit Fixtures Rooms 305 307, 407, 408
Arnold						
, Inc.		\$ 106,081	\$ 360			
Boyer			380	\$ 83,409		
mins Elec-					\$ 26,892	\$ 3,604
Co.					26,124	4,450
Schmidt \$ 16,811						
nes Elec-					29,352	4,750
Co.						
Jennings					24,597	4,505
Electric Co.						
Monier			380	95,000		
Puryear 13,330						
ndtmann						
r Cond. Co.		98,187	385			
er A. Tew						
Electric Co.					23,582	4,620
Engineer-						
Co.		97,400	360	113,900		
g & Pratt		92,890	360	105,980		

er's Bond: All 5% bonds.

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TABULATION OF BIDS (Continued)

EXPERIMENTAL SCIENCE BUILDING
THE UNIVERSITY OF TEXAS - MAIN UNIVERSITY
AUSTIN, TEXAS

LABORATORY EQUIPMENT CONTRACT

Laboratory Equipment Contractors	Check or Bond	Bid No. 5	Bid No. 5-A (Additive)
		Laboratory Equipment Contract	Miscellaneous Laboratory Equipment
Alton Manufacturing Company	\$1,750 B	\$ 29,515.35	
Hixson Company	5% B	27,313.00	\$ 16,127.00
Laboratory Furniture Company	\$12,500 B	28,805.00	
Lab Equipment, Inc.	\$1,200 B	22,669.00	
Sheldon & Company	\$2,000 B	37,120.90	
American Desk Manufacturing Company	\$2,000 B	31,288.00	

TABULATION OF BIDS

FURNITURE AND EQUIPMENT FOR KINSOLVING DORMITORY
MAIN UNIVERSITY
AUSTIN, TEXAS

10:00 A.M., Central Standard Time
Tuesday, January 7, 1958

	Bond or Check	Base Bid A	Base Bid B	Combination Bid
Abel Stationers, Austin	B 5%	\$25,993.32	\$138,165.60	\$163,489.00
Card-Fain, Dallas	B \$1,471.72	29,434.44		
Central City Office Outfitters, Austin	B 5%	27,738.00	134,574.25	162,312.25
Con Mattress Factory, Houston	B \$1,600.00	30,463.56		
DeWitt's of Texas, San Antonio	B \$8,880.00	31,251.48	146,850.64	177,600.00
DeWitt's of Texas, San Antonio	B \$9,026.00	34,170.00	146,850.64	180,520.00
DeWitt Bedding Co., Houston	B 5%	25,004.40		
DeWitt Ezy Mattress Co., Inc., Fort Worth	B 5%	26,893.80		
DeWitt Bedding Mfg. Co., Austin	Cashier's Check \$1,474.01	29,480.24		
DeWitt and Furniture Co., Houston	B 5%	27,939.00	139,595.91	167,534.91
DeWitt Bedding Mfg. Co., Tyler	Cashier's Check \$1,510.00	29,547.00		
DeWitt-Goettinger, Dallas	B 5%	28,726.92	145,708.19	174,435.11

proposals received which could not be considered as valid bids because of lack
of funds and other reasons.

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TABULATION OF BIDS

MONEY AND SECURITIES AND FIDELITY INSURANCE
THE UNIVERSITY OF TEXAS SYSTEM
AUSTIN, TEXAS10:00 A. M., Central Standard Time
December 5, 1957

BIDDER (Agent and Company)	Three-Year Premium Costs		
	Money and Securities Broad Form	Blanket Position Bond	Comprehensive Dishonesty, Disappearance and Destruction
John A. Barclay Agency, Austin National Surety Corporation, New York, N. Y.		\$ 4,226.25	
Wes. McCallum & Nagle, Austin Travelers Indemnity Company, Hartford, Conn.	(A) \$ 1,719.20	(A) 4,219.40	(A) \$ 5,938.60
H. Davidson and Company, Austin United States Fidelity and Guaranty Company, Baltimore, Md.	3,264.68	4,226.28	7,490.96
Sam Gammon Insurance, Austin General Insurance Company of America, Seattle, Wash.	5,003.85	5,091.67	10,095.52
Deduct Estimated Dividend	500.38	1,018.33	1,518.71
Estimated Net Premium Cost	4,503.47	4,073.34	8,576.81
Wilson-Wilson-Pearson, Austin Continental Casualty Company, Chicago, Ill.	3,957.81	4,226.25	8,184.06
Paul Fire and Marine Insurance Company, St. Paul, Minn.	3,406.60	4,226.25	7,632.85
Drick-Bowman & Wommack, Austin Fidelity and Deposit Company of Maryland, Baltimore, Md.	3,081.60	4,226.27	7,307.87
Wigham, Langston and Burnett, Houston			
The Aetna Casualty and Surety Company, Hartford, Conn.	2,128.85	4,226.25	6,355.10
Robbins, Montgomery and Nieman Company, Austin			
Hartford Accident and Indemnity Company, Hartford, Conn.	1,355.70	5,091.67	6,447.37
W. T. Wicker and Company, Austin American Surety Company of New York, New York, N. Y.	3,267.05	4,226.25	7,493.30

These proposals were qualified and therefore unacceptable.