

To: Jay McWilliams, Superintendent, and Board of Trustees

From: Susan Bryan, Chief Financial Officer

Subject: Deliberation and action concerning a Ratification and Revivor of Oil and Gas Lease between the District and Big Star Oil and Gas, LLC, dated June 30, 2016, recorded in Volume 1627, Page 814 of the Official Public Records of Howard County, Texas, covering the lands described therein, which were inadvertently omitted from such original lease described above, and other actions incident thereto.

Date: June 16, 2025

A landman representing Four Sevens Operating Co., Ltd. contacted the school district regarding the attached Revivor of Oil and Gas lease. In summary, the explanation given was that this is a formality on paper to clear any doubt that Big Spring ISD's tracts are in the pooled units listed in the previous contract. This will guarantee that Big Spring ISD will continue to receive our share of royalty revenue from already producing wells and any potential future wells. Our attorneys at the Underwood Law Firm have reviewed the paperwork and recommend ratification.

Please consider the following motion language.

Recommended Motion Language:

I move that the Board approve, as presented, the Ratification and Revivor of Oil and Gas Lease between the District and Big Star Oil and Gas, LLC, dated June 30, 2016, recorded in Volume 1627, Page 814 of the Official Public Records of Howard County, Texas, covering the lands described in this Ratification and Revivor of Oil and Gas Lease, which were inadvertently omitted from the original lease referenced above, and authorize the Board President to finalize and execute on the District's behalf such Ratification and Revivor of Oil and Gas Lease as to the lands described in such Ratification and Revivor of Oil and Gas Lease.