

FACT SHEET**CITY OF SHREVEPORT, LOUISIANA****TITLE**

A Resolution authorizing the Mayor of the City of Shreveport to sign an approval of the assignment by Cypress Energy Partners, LLC of an oil and gas lease to Paloma Natural Gas, LLC, and to otherwise provide with respect thereto.

DATE

January 6, 2025

ORIGINATING DEPARTMENT

Department of Public Works
Property Management Section
CITY COUNCIL DISTRICT

SPONSOR**PURPOSE**

To authorize the Mayor of the City of Shreveport to sign an approval to the assignment of the Oil and Gas State Agency Lease No. 22130, dated February 8, 2023, between the City of Shreveport and Cypress Energy Partners, LLC.

BACKGROUND INFORMATION

Paloma Natural Gas, LLC, (Paloma) is now the current owner of the Oil and Gas Lease (the “Lease”), dated February 8, 2023, between the City of Shreveport (“City”) and Cypress Energy Partners, LLC (“CEP”). CEP has recorded an assignment of the Lease to Paloma pursuant to which all of CEP’s rights, title and interest in the referenced Lease have been assigned to Paloma. This assignment was made without prior consent from the City by the Mayor of the City of Shreveport, which is required. The assignment was made subject to all the terms and conditions of the Lease. Paloma accepted the assignment subject to all obligations under the Lease. The City’s consent to assign the Lease shall not constitute a waiver of any provision of the Lease.

TIMETABLE

Introduction: January 14, 2025
Final Passage: January 28, 2025

ATTACHMENTS

CEP Request for Consent of Assignment

SPECIAL PROCEDURAL REQUIREMENTS**FINANCES****SOURCE OF FUNDS****ALTERNATIVES**

(1) Adopt the Resolution as submitted, or (2) Amend the Resolution, or (3) Reject the Resolution.

RECOMMENDATION

It is recommended the City Council adopt the Resolution.

FACT SHEET PREPARED BY:

Malcolm Stadlander,
Property Management Administrator

RESOLUTION NO. _____ OF 2025

A RESOLUTION AUTHORIZING THE MAYOR OF THE CITY OF SHREVEPORT TO SIGN AN APPROVAL OF THE ASSIGNMENT BY CYPRESS ENERGY PARTNERS, LLC OF AN OIL AND GAS LEASE TO PALOMA NATURAL GAS, LLC, AND TO OTHERWISE PROVIDE WITH RESPECT THERETO.

BY: COUNCILMEMBER

WHEREAS, the City of Shreveport (the “City”), leased a certain tract of land containing approximately 68.48 acres to Cypress Energy Partners, LLC (“CEP”) on February 8, 2023, being recorded under Instrument No. 2921975 of the Conveyance Records of Caddo Parish, Louisiana (the “Lease”); and

WHEREAS, Paloma Natural Gas, LLC (“Paloma”) is the current owner of the Lease; and

WHEREAS, CEP entered into an agreement with Paloma Natural Gas, LLC (“Paloma”), pursuant to which all of CEP’s right, title and interest in the referenced Lease have been assigned to Paloma; and

WHEREAS, in accordance with the terms of the Lease, the City has received a written request from CEP seeking the City’s consent for CEP to assign their interest in the Lease to Paloma. To the extent required under the Lease, a waiver from the City of any requirements for obtaining such consent, including, without limitation, any right, if any, the City may have to receive any further disclosures of information concerning the details of the assignment of the interest in the Lease; and

WHEREAS, the assignment was made subject to all of the terms and conditions of the Lease; and

WHEREAS, Paloma accepted the assignment subject to all obligations under the Lease; and

WHEREAS, the City’s consent to assign shall not constitute a waiver of any provision in the Lease; and

WHEREAS, the assigned interest may not be further assigned to any third party without written consent from the City, pursuant to the terms of the Lease.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Shreveport, Louisiana, in due, legal, and regular session convened, that the Mayor is hereby authorized to approve the assignment of an oil and gas lease from CEP to Paloma.

BE IT FURTHER RESOLVED that if any provision or item of this Resolution or the application thereof is held invalid, such invalidity shall not affect other provisions, items or applications of this Resolution which can be given effect without the invalid provisions, items or applications, and to this end, the provisions of this Resolution are hereby declared severable.

BE IT FURTHER RESOLVED that all resolutions, ordinances or parts thereof in conflict herewith are hereby repealed.

BE IT FURTHER RESOLVED that this Resolution shall become effective in accordance with the provisions of [Shreveport City Charter Section 4.23](#).

THUS DONE AND RESOLVED by the City Council of the City of Shreveport, Louisiana.

APPROVED AS TO LEGAL FORM:

City Attorney's Office