

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

A Resolution authorizing a request to be made to the Louisiana Department of Natural Resources, Louisiana State Mineral and Energy Board, to seek public bids for an oil, gas and mineral lease involving the property located in Districts C and D described herein and to execute the lease for certain mineral interests owned by the City of Shreveport; and to authorize the mayor to execute any and all documents related to the intent of this Resolution; and to otherwise provide with respect thereto.

**DATE**

January 31, 2025

**ORIGINATING DEPARTMENT**

Department of Public Works  
Property Management Section

**CITY COUNCIL DISTRICTS**

C and D

**SPONSOR****PURPOSE**

To authorize the State Mineral and Energy Board to seek public bids for an oil, gas, and mineral lease for certain roads and drainage ditches publicly dedicated to the City of Shreveport, and to execute a lease for certain mineral interests owned by the City.

**BACKGROUND INFORMATION**

The Louisiana State Mineral and Energy Board is available, upon the request of the City, to seek public bids for an oil, gas, and mineral lease and to execute the lease of the property described herein for oil, gas, and other minerals. All rights and authority in connection with any lease *shall be vested in the City* to the same extent as if the City had itself leased the land.

The property is located and identified in Exhibit “A”.

**TIMETABLE**

Introduction: February 11, 2025

Final Passage: February 25, 2025

**ATTACHMENTS**

Exhibit “A” – Property Description

Cypress Energy Corporation Lease Request Letter

Mineral Ownership Map – 247.0852 Acres

**SPECIAL PROCEDURAL REQUIREMENTS**

The City should not follow La. R.S. [33:4712](#) for the lease of its minerals; instead it should follow [La. R.S. 30:151](#) et. seq. Pursuant to [La. R.S. 30:153\(A\)](#), the City may direct the State Mineral and Energy Board to lease its land by Resolution.

**FINANCES**

\$3000.00/acre Minimum bid (\$741,255.60)

Projected Bonus and Annual Delay Rentals

[plus Lease Royalties after production begins.]

**SOURCE OF FUNDS**

Successful Bidder

**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 Stadtlander,  
Property Management Administrator

RESOLUTION NO. \_\_\_\_\_ OF 2025

**A RESOLUTION AUTHORIZING A REQUEST TO BE MADE TO THE LOUISIANA DEPARTMENT OF NATURAL RESOURCES, LOUISIANA STATE MINERAL AND ENERGY BOARD, TO SEEK PUBLIC BIDS FOR AN OIL, GAS AND MINERAL LEASE INVOLVING THE PROPERTY LOCATED IN DISTRICTS C AND D DESCRIBED HEREIN AND TO EXECUTE THE LEASE FOR CERTAIN MINERAL INTERESTS OWNED BY THE CITY OF SHREVEPORT; AND TO AUTHORIZE THE MAYOR TO EXECUTE ANY AND ALL DOCUMENTS RELATED TO THE INTENT OF THIS RESOLUTION; AND TO OTHERWISE PROVIDE WITH RESPECT THERETO.**

**BY: COUNCILMEMBER**

**WHEREAS**, the City of Shreveport (“City”) may own certain mineral rights underlying the described property in Exhibit “A” (“the property”); and

**WHEREAS**, every agency [including every municipality] is authorized to lease its land for the development and production of minerals; and

**WHEREAS**, the City desires to lease its interest in the property for oil, gas and other minerals subject to conditions contained herein; and

**WHEREAS**, the Louisiana Department of Natural Resources, Louisiana State Mineral and Energy Board, is available upon the request of the City of Shreveport to seek public bids for an oil, gas, and mineral lease and to execute the lease of the property described herein in Exhibit “A” for oil, gas and other minerals if requested to do so by the City of Shreveport; and

**WHEREAS**, this Resolution is authorized pursuant to Louisiana Revised Statutes, Title 30; Subtitle I; Chapter 2; Subpart B. Leases by State Agencies [and Municipalities] (La. R.S. [30:151](#) – [30:159](#)); and

**WHEREAS**, pursuant to [La. R.S. 30:153\(A\)](#), any agency [Municipality] may, by Resolution, direct the State Mineral and Energy Board to lease the City’s interest in the property for such purposes; and

**WHEREAS**, pursuant to [La. R.S. 30:153](#)(A), after the execution of the original lease, all rights and authority in connection therewith shall be vested in the agency [Municipality] to the same extent as if the agency [Municipality] had itself leased the land; and

**WHEREAS**, pursuant to [La. R.S. 30:153](#)(A) the bonus money, if any, received for the lease shall be transmitted by the State Mineral and Energy Board to the agency [Municipality]; and

**WHEREAS**, the City of Shreveport has received a written request from Nick Palmer, agent for Cypress Energy Partners, LLC, that the City seek public bids for an oil, gas and mineral lease covering said described property in Exhibit “A”; and

**WHEREAS**, the City of Shreveport does not, by way of the instant Resolution, guarantee Nick Palmer, agent for Cypress Energy Partners, LLC, or any other bidding entity, the award of successful bid on the described property in Exhibit “A” (“the property”).

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Shreveport, Louisiana, in due, legal, and regular session convened, that:

1. The City of Shreveport declares it may own certain mineral rights underlying the following described property, to-wit: *See Exhibit “A” – Property Description*
2. The Louisiana Department of Natural Resources, State Mineral and Energy Board, be and it is hereby requested and authorized to seek public bids for an oil, gas and mineral lease covering the property described herein above.
3. The Louisiana Department of Natural Resources, State Mineral and Energy Board, be and it is hereby requested and authorized to execute a lease covering the property described herein above.
4. The Mayor, Tom Arceneaux and/or his designee is hereby authorized to execute, for and on behalf of the City of Shreveport, any, and all documents related to the execution and intent of this Resolution.
5. **Any such lease shall contain a NO SURFACE OPERATIONS provision to read the same or substantially the same as the following:**

Lessee, its successors, or assigns, may produce oil, gas, and other minerals from the leased premises by drilling from a surface location on other lands, but notwithstanding any other provision of this lease, Lessee, its successors, or assigns, shall not use the surface of the Lessor's property for

drilling or any other operations without prior written permission of Lessor, which permission may be withheld at Lessor's discretion.

6. **Any such lease shall contain a HORIZONTAL PUGH clause to read the same or substantially the same as the following:**

Notwithstanding anything to the contrary herein contained, at the end of the primary term or any extension thereof by operations, if the Commission of Conservation of the State of Louisiana establishes a drilling unit which includes a part of the land herein leased, the production of oil, gas and other minerals from such unit shall maintain this lease in full force and effect only as to such portions of the leased land embraced in said pooled unit; and this lease shall expire as to that part of the land herein leased not included in such unit; and Lessee, its successors and assigns agrees to relinquish by formal instrument any portion of the leased land not included in a unit created by the Commission of Conservation while this lease is in effect.

7. **Any such lease shall contain a VERTICAL PUGH clause to read the same or substantially the same as the following:**

Upon the expiration of the primary term hereof or any extension thereof by operations, this lease shall automatically terminate and be of no further force or effect except as to all that part of the leased premises then included within the geographical boundaries of a producing unit duly established by governmental agency or authority having jurisdiction, from the surface of the earth to a depth of one hundred (100) feet below the deepest depth from which any well commenced during the primary term hereof on the leased premises or on lands pooled therewith is completed and from which there is production in paying quantities, such depth determination to be made on a unit-by-unit basis. In the absence of units so established, this lease shall terminate except as to forty (40) acres around each producing oil well and one hundred sixty (160) acres around each producing or shut-in gas well located on the leased premises, in as near the form of a square as is practicable, from the surface of the earth down to a depth of one hundred (100) feet below the deepest depth from which said well or wells are completed and from which there is production in paying quantities, such depth determination to be made on a well-by-well basis.

8. **Any such lease shall contain a minimum CASH PAYMENT BONUS provision as follows:** Cash Payment Bonus of not less than three thousand dollars (\$3,000.00) per acre.

9. **Any such lease shall contain a minimum ROYALTY provision as follows:** Royalty of not less than twenty-five percent (25%).
10. **Any such lease shall contain a maximum TERM provision as follows:** Primary term of lease shall not exceed three (3) years.
11. Any such lease shall contain a provision expressly stating that any lease granted by the City of Shreveport and accepted by Lessee shall be **WITHOUT WARRANTY OF TITLE** and **WITHOUT RECOURSE AGAINST THE CITY**, whether expressed or implied, even for the return of any monies paid, and further, that City shall not be required to return any payments received or be otherwise responsible to Lessee, therefore.
12. Any such lease shall be subject to the prohibitions and remedies concerning excessive damage to roads enumerated in the City of Shreveport Code of Ordinances, currently codified in Secs. 78-211-212.
13. Any error in any legal description contained in this Resolution and/or in Exhibit "A" which may be discovered by the State Mineral and Energy Board, or its staff, during its review of the City's application, which are subsequently corrected by the City of Shreveport, provided such irregularities do not materially change the property being herein authorized for lease, shall not affect any authorization granted or conveyed herein and the State Mineral and Energy Board is hereby authorized to advertise and subsequently lease the said property as correctly described.
14. A certified copy of the executed *Lease Agreement* authorized herein, and all Exhibits attached thereto, or an extract thereof, shall be filed and recorded in the conveyance records of Caddo Parish, Louisiana.

**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 application, 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:**

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City Attorney's Office

Exhibit "A"

**CITY OF SHREVEPORT, LOUISIANA NOMINATION 1:  
(All lands in Sections 19 & 30-T17N-R14W and  
The West Half of Sections 28 & 30-T17N-R14W)**

**DESCRIPTION**

**MINERALS OWNED BY CITY OF SHREVEPORT**

**DEDICATED ROADS:**

IRREGULAR SECTIONS 16, 20, 29, 30, 32, 33,34,37 & 38, TOWNSHIP 17 NORTH, RANGE 13 WEST AND SECTIONS 3 & 4, TOWNSHIP 16 NORTH, RANGE 13 WEST,

THOSE CERTAIN DEDICATED ROADS AND DRAINAGE DITCHES SITUATED IN IRREGULAR SECTIONS 16, 20, 29, 30, 32, 33,34,37 & 38, SECTION(s) TOWNSHIP 17 NORTH, RANGE 13 WEST AND SECTION(s) 3 & 4, TOWNSHIP 16 NORTH, RANGE 13 WEST, CADDO PARISH, LOUISIANA, BEING DESCRIBED AS ACADIANA PL., AMETHYST CT., APPLESPICE DR., AQUILLA DR., ARANSAS PASS, ARDENNES CT., ASHLEY RIDGE BLVD., AVIGNON LN., BACCARAT DR., BELINGTON DR., BRECKENRIDGE DR., BRENDA DR., BRIGHTON CT., BROOK HOLLOW, BROOKHAVEN WAY, BRUNSWICK DR., BUSINESS PARK DR., CALDWELL DR., CALLIOPE LN., CAMBRIDGE DR., CAMEL DR., CAPISTRANO DR., CHAMBORD CIR., CHESAPEAKE DR., CONCORD DR., CORA ANN PLACE, CORINNE CIR., COVENTRY CT., CRESWELL RD., DEMERY BLVD., DEVILLE PL., DUMBARTON DR., E. HARTS ISLAND RD., E. WILDERNESS WAY, FERN AVE., FORSYTHE CT., FOUNTAINBLEAU DR., GARDEN LN., GARLAND PL., GENTILLY CIR., GENTILLY DR., GLEN HAVEN DR., GLENMORA CL., GLENMORA DR., GROVER PL., IBIS CT., INDIA DR., JACKSON SQUARE PL., JOHN HENDRIX DR., JOHNNIE DR., JUMP RUN DR., KENSHIRE CT., LAFITTE COVE, LOCH RIDGE DR., LOWELL CT., MARRERO DR., MARTHA ANN DR., MARTINIQUE CT., MELISSA WAY, MERCEDES BENZ DR., MILLBROOK DR., MILLICENT CIR., MILLICENT WAY, MONTCLAIR DR., N. DRESDEN CIR., N. WICKFORD CIR., NAPOLEON DR., OBIE ST., OLD RIVER CIR., OLD RIVER DR., OLD SPANISH TRL., ORLEANS DR., PARK PLAZA DR., PEYTON COLQUITT PL., POMEROY DR., PROFESSIONAL DR. N., PROFESSIONAL DR. S., PROFESSIONAL DR. W., QUIMPER PL., RAMBERLYN WAY, RAMPART PL., REGAL DR., RIVA RIDGE DR., RIVERWALK, ROCK HOLLOW DR., ROYAL LN., S. WICKFORD CIR., SCHAUB DR., SHELTON AVE., SMITHERMAN DR., SOPHIA LN., SOUTHFORK DR., STRASBOURG CIR., STRATMORE DR., SUBURBIA DR., SUGARLAND DR., SUZANNE DR., TAMPA WAY, TEAK DR., TOWN SOUTH DR., TURTLE CREEK DR., UNIVERSITY DR., VILLAGE GREEN DR., WELLINGTON CT., WESTBURY DR., WHITE AVE., WHITETAIL DR., WINTHORP ST., WISCASSETT DR., APPLEJACK DR., APPLESPICE DR.,

CALDWELL DR., CALLIOPE LN., GALWAY DR., GARDEN LN., HONEYGOLD DR., KING PL., MCINTOSH DR., N DRESDEN CT., PARKSIDE DR., RED BARON DR., S DRESDEN CT., SMITHERMAN DR., SOUTHBROOK DR., STRATMORE DR., TIFFIN CT., VILLAGE GREEN DR., WOODMERE DR., WOODVALE DR., EAST BERT KOUNS, AND ANY AND ALL UNNAMED OR UNBUILT ROADS OR DRAINAGE BEING A TOTAL OF **247.0852 ACRES**, MORE OR LESS.