

RESOLUTION NO. _____ OF 2024

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 DISTRICT E AND 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 Nicholas 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 (\$3000.00) 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 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.

13. 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:

City Attorney's Office

Exhibit "A"

**CITY OF SHREVEPORT, LOUISIANA NOMINATION 1:
(All lands in Sections 4 & 9-T16N-R14W)**

SECTION 4 & 9, TOWNSHIP 16 NORTH – RANGE 14 WEST

DEDICATED ROADS:

Section(s) 4 & 9, T16N-R14W

Those certain Dedicated Roads and drainage ditches situated in Section(s) 4 & 9, Township 16 North, Range 14 West, Caddo Parish, Louisiana, being described as Alicia Ln, Alkay Dr, Avalon Dr, Baird Dr, Barir Rd, Bayonne Dr, Bayonne Dr, Bedlington Ct, Billu Ridge Dr, Birch Dr, Bridgewood Dr, Brookside Cir, Chase Bend, Chase Crossing, Chase Field St, Chase Field St, Chase Island, Chase Oaks, Chase Wat, Chase Wells, Cherryfield Ct, Cherryfield Dr, Cinnamon Dr, Cloverdale Dr, Colquitt Rd, Coronado Dr, Crabapple Dr, Chritencoates Ct, Danfield Ct, Delina St, Dinah St, Unnamed Drainage Ditches, Dundee Dr, Evergreen Dr, Ferrara Dr, Fireside Dr, Francais Dr, Hazel Cir, Helmsdale Ct, Hilton Dr, Holiday Ln, Hoyte Dr, Jewella Rd, Jody Cir, Jody Ln, Karla Cir, Kaylin Dr, Kedgwick Ct, Kimberly Dr, Kritiansand Ct, Laurie Lane, Letha Ln, Lola Ln, Lone Oak Dr, Lynda Dr, Mackey Cir, Madera Ln, Marva Dr, Cadoo St, Melody Ln, N. Colswalk Dr, Non Cir, Normandie Dr, Pitchpine Dr, Poppy Cir, Prestwick Ct, Prestwick Dr, Thonda Dr, Sara Ln, Savana Dr, Simmons Blvd, Simmons Pl, Smithfield Rd, Somersworth Ct, Somersworth Dr, Southland Park, Hillside Dr, Southside Dr, Southwood Dr, Stanford Cir, Stonehaven Dr, Summer Grove Dr, Sundavall Ct, Truly Ln, Urbandale St, Villanova Dr, Walker Road Willowwick Ct, Windbrooke Dr, Woodcrest Drive, and any and all unnamed or unbuilt roads being a total of **135.064 acres**, more or less.

ASSESSED TO THE CITY OF SHREVEPORT:

Section(s) 4 & 9, T16N-R14W

That certain tract or parcel being more particularly described in that certain Act of Donation, recorded August 12, 1975 and recorded under Entry # 661470 in the Conveyance Records of the Clerk of Courts office, Caddo Parish, Louisiana. Geo # 160404-025-0015.

That certain tract or parcel of land being more particularly described in that certain Sale, recorded November 11, 1992 and recorded under Entry # 1367204 in the Conveyance Records of the Clerk of Courts office, Caddo Parish, Louisiana. Geo # 160404-031-0005.

Being a total of **.716 acres**, more or less

CITY OF SHREVEPORT ADJ TRACTS

Section(s) 4 & 9, T16N-R14W

Geo # 161404000005500, .045 AC. M/L - FROM THE SW COR. OF WINROCK GLEN SUBN. AND THE E'LY R/W OF US HWY. 171 (MANSFIELD RD.) RUN S. 39 DEG. 02 MIN. 20 SEC. W. 554.88 FT., THENCE S. 60 DEG. 02 MIN. 51 SEC. E. 213.44 FT. TO PT. OF BEGIN., THENCE N. 29 DEG. 57 MIN. 09 SEC. E. 15 FT., THENCE N. 86 DEG. 56 MIN. 37 SEC. E. 52.55 FT., THENCE S. 39 DEG. 10 MIN. 28 SEC. W. 47.48 FT., THENCE N. 60 DEG. 02 MIN. 51 SEC. W. 35.66 FT. TO PT. OF BEGINNING.;

Geo# 161404001005200, THE SOUTHERLY PORTION OF LOT 20, SIMMONS PLACE SUBD., UNIT NO. 3, MEASURING 12.5 FT. ON W. LINE AND 9 FT. ON E. LINE, 161404-001-0052;

Geo # 161409021000900, FROM THE SE CORNER OF LOT 5, RUN NORTH 28 DEG. 52 MIN. WEST ALONG LOT LINE 135 FT. TO P.O.B.: RUN THENCE SOUTH 61 DEG. 08 MIN. W. 40 FT., THENCE N. 28 DEG. 52 MIN. WEST 141.9 FT., THENCE S. 89 DEG. 22 MIN. EAST 46.42 FT. TO E'LY LINE OF LOT 3, THENCE S. 28 DEG. 52 MIN. E. ALONG E'LY LINE OF LOTS 3 & 5, A DISTANCE OF 118.2 FT. TO BEGINNING, BEING A PART OF LOTS 3 & 5, OF SOUTHERN HILLS SHOPPING CENTER UNIT #"A", 161409-021-0009.;

Geo # 161409021001500, FROM THE SE. CORN. OF LOT 5, RUN N. 28 DEG. 52 MIN. W. ALONG LOT LINE 135 FT., THENCE S. 61 DEG. 8 MIN. W. 40 FT., THENCE N. 28 DEG. 52 MIN. W. 141.9 FT. TO P.O.B., THENCE N. 28 DEG. 52 MIN. W. TO AN E'LY EXTENSION OF THE S. LINE OF LOT 2, THENCE E'LY ALONG SAME TO THE E. LINE OF LOT 3, THENCE S. 28 DEG. 52 MIN. E. 11.49 FT., THENCE N 89 DEG. 22 MIN. W. 46.42 FT. TO THE P.O.B., SOUTHERN HILLS SHOPPING CENTER, UNIT A.

Being a total of .6250 acres, more or less

The aggregate of the above-described tracts being a total of **136.405 acres**, more or less