



Legislation Text

File #: 2005-0312, **Version:** 5

Public Hearing regarding a request by Energy Quest LLC to lease oil and gas rights for 141.7 acres on Hamlin Road, including Borden Park for the exploration and mining thereof; Energy Quest, Inc., applicant

Whereas, Energy Quest, Inc., a Michigan Corporation, has requested to enter into a lease agreement ("the Lease") with the City of Rochester Hills for the right to explore and mine oil and gas and their byproducts on city land; and

Whereas, City property covered under terms of the Lease, including optional lands, are held under clear title by the City of Rochester Hills; and

Whereas, the Lease identifies various terms and conditions, including lease rates, royalty shares and primary terms; and

Whereas, the location of oil and gas facilities on the property is prohibited, subject to the terms of the Lease; and

Whereas, the City retains ownership of all mineral rights on the property, subject to the terms of the Lease; and

Whereas, Energy Quest, Inc. will notify and receive permission from the Parks and Recreation Department Director prior to entering the property under terms of the Lease for purposes of seismic and other testing; and

Whereas, Energy Quest, Inc. has agreed to minimize impacts to the operation of Earl E. Borden Park during testing and fully repair any land disturbed during the testing phase.

Resolved, to lease 141.777 acres of property owned by the City of Rochester Hills, identified as, Parcel # 70-15-25-100-012, and further identified as:

Township 3 North-Range 11 East

Section 25:

N 62 acres of W/2 of NW/4, th S 89°39'58" E 120', th S 00°06'36" E 60', th N 89°39'58" W 60' th S 00°06'36" E 140' th N 89°39'58" W 60', th N 00°06'36" W 200' to beginning, also W/2 of E/2 of NW/4, also part of NW/4 beginning at point dist S 00°31'00" E 450.65' from N/4 corner, th S 00°31'00" E 2246.64', th S 88°35'00" W 674.41', th N 00°17'00" W 2713.90', th E 280', th S 00°17'00" E 450.65', th E 385.13' to beginning

to Energy Quest, Inc. of Traverse City, for a primary term of three (3) years, subject to the terms and conditions of the Lease, including optional lands; and

Be It Further Resolved to direct the Mayor and City Clerk to sign the Lease on behalf of the City after review by the City Attorney's office as to form.