



Rochester Hills Master Report

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File Number: 2005-0312

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|--|---------------------------|---------------------------------------|
| File Number: 2005-0312 | File Type: Project | Status: Public Hearing |
| Version: 5 | Reference: N/A | Controlling Body: City Council |
| Requester: Planning/Development | Cost: | Introduced: 04/21/2005 |
| File Name: Oil and Gas Lease | Final Action: | |

Title: 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.

Notes: Set Public Hearing on July 6, 2005 (Enactment # RES0216-2005)

Frank Noverr
Jeffrey Schwartz
Energy Quest Inc.
3016 Cass Road
Traverse City, Michigan 49684
(616) 946-0712
(616) 945-9509

Code Sections:

Indexes: Leases

Sponsors:

Attachments: Agenda Summary.pdf, 070605 Agenda Summary.pdf, 051805 Agenda Summary pdf, Energy Quest Oil Gas Lease1.pdf, Memo Casey 20050426.pdf, Public Hearing Notice.pdf, Resolution to Set Public Hearing.pdf

Agenda Date:

Agenda Number:

Enactment Date:

Enactment Number:

History of Legislative File

| Ver- sion: | Acting Body: | Date: | Action: | Sent To: | Due Date: | Return Date: | Result: |
|---------------|--|--|-----------------------|---|-----------|-----------------|---------|
| 1 | Financial Services/Community Development & Viability Joint Committee | 04/28/2005 | Referred | City Council Work Session | | | Pass |
| | | | Aye: | Barnett, Dalton, Duistermars, Hill, Holder, Atkinson, Cosenza and Kaszubski | | | |
| | | | Absent: | Zendel | | | |
| 2 | City Council | 06/01/2005 | Adopted by Resolution | | | | Pass |
| | Verbose Action: | to hold a Public Hearing on this matter at a Regular Council Meeting in July 2005. | | | | | |
| | | | Aye: | Barnett, Dalton, Duistermars, Holder and Raschke | | | |
| | | | Nay: | Hill | | | |

| | | | |
|----------------|------------|---|------|
| | Absent: | Robbins | |
| 4 City Council | 07/06/2005 | Adopted by | Pass |
| | | Resolution | |
| | Aye: | Hill, Barnett, Duistermars, Raschke and Robbins | |
| | Absent: | Dalton and Holder | |

Text of Legislative File 2005-0312

..Title

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.

..Body

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.