

DECEMBER 2014

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TULSA
Association of Petroleum Landmen

Letter From the President

Dear Members,

The Holiday season has arrived, and judging by our December Social, the members of TAPL are already in the Christmas spirit. Once again TAPL paired up with the U.S. Marine Corps Reserve to support their Toys for Tots program, and this year's generosity was exceptional and heart-warming. A great turnout of over 200 people led to an unprecedented amount of money given to the Marines and enough toys to eclipse a banquet table. Events like this illustrate what a great organization we have, and I am certainly proud to be part of such a generous and caring group of professionals. You can find more details of the event and pictures below in Mike Knapp's article.

The beginning of the Holiday season also means the arrival of the College Football bowl season. Despite neither the State of Oklahoma nor the Big XII being represented in the inaugural College Football Playoff, this is still a momentous and exciting event. To get our membership ready for the big season finale, we're making our January offsite social a PRE-GAME for the National Championship. So be on the look-out for registration for our pre-game social at Cedar Ridge Country Club on January 12th.

We also have plenty of other events this spring to look forward to, ranging from our local Community Food Bank volunteer day in March and the Spring Educational Seminar in April, to the Spring Golf Scramble on May 11th. When combined with our monthly dinner meetings and educational luncheons, we have a full calendar ahead of us for 2015. Let's just hope oil prices recover so that we'll be just as busy in the office as we are in TAPL.

I wish you and your family a safe and happy holidays, and we'll see you in 2015.

Sincerely,

Collin J. Sniff, CPL

TAPL President





Dear Members,

Just wanted to drop a quick note to say "THANK YOU" for all your generous support of the US Marine Toys for Tots toy drive held at our December Social. I am sure most of you saw the approximate 150 toys which filled up the back of a large van as shown in the accompanying photo, not to mention the \$4,115.00 in CASH donations. No doubt TAPL put a lot of smiles on a lot of deserving kids faces this Christmas!

To the extent you missed the opportunity to contribute, please note you can still donate online by going to toysfortots.org/donate or mail your donation directly to Toy for Tots, 8000 E New Orleans, Broken Arrow, OK 74014, Attention Gunnery Sergeant Shawn Irons. Please remember to note your affiliation with TAPL on your check.

Great Job TAPL and thank you again for your kind generosity!

Mike Knapp

External Affairs Director

Upcoming Educational Events

Fundamentals of Land Practices & OPTIONAL RPL Exam – Shreveport, LA

Thursday, January 08, 2015 - Friday, January 09, 2015

Oil and Gas Land Review, CPL/RPL Exam –Midland, Tx

Monday, January 12, 2015 - Thursday, January 15, 2015

One Day JOA Workshop – Evansville, IN

Tuesday, January 13, 2015 (8:00 AM-4:30 PM)

Field Landman Seminar – Tyler, TX

Thursday, January 15, 2015 (5:00 PM-9:00 PM)

WI/NRI Workshop – Denver, CO

Friday, January 16, 2015 (8:00 AM-3:30 PM)

Basics of Geographic Information System – Houston, TX

Monday, January 26, 2015 (9:00 AM-3:00 PM)

WI/NRI Workshop – The Woodlands, TX

Friday, February 06, 2015 (8:00 AM-3:30 PM)

JOA Workshop – Lafayette, LA

Tuesday, February 24, 2015 - Wednesday, February 25, 2015

Rocky Mountain Land Institute–Salt Lake City, UT

Thursday, February 26, 2015 - Friday, February 27, 2015



Upcoming Educational Events

Field Landman Seminar – Midland, TX

Thursday, February 26, 2015 (5:00 PM-9:00 PM)

AAPL/SPE Joint Institute – San Antonio, TX

Thursday, March 05, 2015 - Saturday, March 07, 2015

Due Diligence Seminar– Pittsburgh, PA

Tuesday, March 10, 2015 (8:30 AM-3:00 PM)

Field Landman Seminar – Williamsport, PA

Thursday, March 12, 2015 (5:00 PM-9:00 PM)

Pooling Seminar – Midland, TX

Friday, March 13, 2015 (8:30 AM-3:00 PM)

2015 Mining & Land Resources Institute– Reno, NV

Thursday, March 19, 2015 - Friday, March 20, 2015



**NATIONAL
CHAMPIONSHIP**

January 12th Pre-Game Social

Cedar Ridge Country Club

5:00 p.m. – 8:00 p.m.



THANK YOU TO OUR SPONSORS!!!



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Industry Related Articles

Oil Prices Are Now Unsustainably Low

(Reuters) - Oil prices have now fallen to an unsustainable low level. Futures contracts for Brent and WTI have fallen below \$60 and \$55 per barrel respectively but many crude producers are receiving much lower prices. Plains Marketing, for example, is now offering just \$39.69 per barrel for Williston Basin Sweet crude and less than \$50 for a wide range of other U.S. crude oils, according to its latest pricing bulletin, published on December 15. Billions of dollars of capital expenditure projects have been or will be postponed by the major international oil companies, independents and shale producers, which, if they all remained canceled, would generate an enormous shortfall in oil supplies by the end of the decade. At these prices, shale production on most leases across the United States cannot breakeven. Only a few of the most favorable areas with the best geology and low transport costs remain profitable. Even in these cases profit margins are razor thin. If posted prices remain at current depressed levels, almost all shale drilling activity will eventually cease, and U.S. oil production would start to fall rapidly towards the end of 2015 and into 2016 as output from existing wells starts to decline. Just as prices were unsustainably high when Brent was trading above \$100 throughout most of 2011-2014, encouraging too much drilling and conservation, oil prices have now plunged to an unsustainably low level.

The market has over-reacted to signs of an impending surplus in production in 2015 by cutting prices to a level that will cancel not just marginal projects but almost all new drilling given enough time. It is a classic bubble - the mirror image of the frenzied rise in prices towards their peak at \$147 per barrel in July 2008 ("Oil market is trapped in a negative bubble" Nov 14). Like any bubble, it is impossible to predict how long it will continue to inflate or how far prices might eventually be distended before the bubble bursts. In a bubble, prices tend to become far more distorted than rational observers thought possible before correcting, so there is no reason why oil prices cannot fall further in the short term. But bubbles also tend to be fairly short-lived because their internal dynamics are so unstable and the divergence between market prices and underlying supply/demand fundamentals becomes too stretched to ignore ("Behavioral explanations make sense of oil's plunge" Dec 1). In 2007/08, it took Brent prices nine months to double from around \$75 in Oct 2007 to peak just below \$150 in July 2008. In 2014, it has so far taken six months to halve from \$115 to \$59.

If it is impossible to predict how low prices might fall before correcting it is at least possible to surmise the turning point is not far off in terms of time. The four previous plunges in oil prices over the last four decades (1985/86, 1997/98, 2000/01 and 2008/09) were all quickly followed by price rises after the market over-reacted on the downside. The market appears to be headed for something similar in the current environment as prices fall to levels which are simply unsustainable for more than short period of time.



PetroQuest

Wash-Out of Overriding Royalty Interests

How can an operator maximize its profit from a well that is burdened by multiple overriding royalty interests, which reduce the operator's net revenue interest? The operator can choose to eliminate the overriding royalty interests. In *Stroud Prod., LLC v. Hosford*, 405 S.W.3d 794 (Tex. App. – Houston 2013, pet. denied), the Court addressed whether the intentional termination of a lease to eliminate overriding royalty interests was actionable. Briefly, the Court concluded that the owners of the overriding royalty interests did not have a cause of action arising from the intentional termination of the lease and elimination of the overriding royalty interests. *Id.* at 811.

The dispute in *Stroud* arises from a lease taken by Houston Domestic Oil Company ("HDOC") that contained a 25% royalty interest. Subsequently, HDOC granted overriding royalty interests to Patrick E. Hosford, Morris L. Etheridge, David T. Threinen and Nelson E. Woods (collectively, the "ORRI Owners") totaling 5%. *Id.* at 798. None of the assignments of overriding royalty interests to the ORRI Owners contained a "renewals and extensions" clause to protect against a wash-out of the overriding royalty interests. [1] After HDOC drilled wells that produced in commercial quantities, Stroud Production, LLC ("Stroud") acquired the leases in 2003. *Id.* at 799. At the time Stroud acquired the leases, there was only one producing well operating on the leasehold. On January 13, 2014, Stroud learned that the assignments of overriding royalty interests to the ORRI Owners did not have "renewals and extensions" clauses. *Id.* Several days after learning that the overriding royalty assignments did not contain renewals and extensions clauses, a "polished rod" broke on the only producing well and production ceased on January 20, 2004. *Id.* Although repairs would not be expensive or time-consuming, Stroud took no action to repair the polished rod and return the well to production to terminate the leases. *Id.* As a result the leases terminated on April 20, 2004. *Id.* On February 20, 2004, Stroud obtained new leases covering the same tract of land that were not burdened by overriding royalty interests. Stroud repaired the well in May 2004 for an approximate cost of \$7,500 and the well was returned to production in June 2004. *Id.* at 799-800. After the well returned to production, Stroud sold the new leases for approximately \$2.5 million. *Id.* at 800. Importantly, the Court recognized that Stroud acted intentionally to terminate the leases and eliminate the overriding royalty burdens:

"Stroud admitted that he intentionally returned the well to production in June 2004 only after the B&G leases had terminated, new leases had been obtained, and the 90-day continuous-operations period had passed. He also admitted that he 'did not want any overriding royalty interest on the new leases' and [the ORRI Owners'] overriding royalty interests had been 'washed out.'"

Stroud, 405 S.W.3d at 799-800. The Court explained that the evidence established that Stroud intentionally terminated the leases to terminate the ORRI Owners' interests in the leases. *Id.* at 804.

In reaching its conclusion that intentional termination of a lease to eliminate the interest of another party is not actionable under Texas law, the Court focused on the lack of a duty owed by Stroud to the ORRI Owners. The Court stated: "[b]ecause no evidence supported the existence of a 'confidential or fiduciary relationship' and the provisions of the leases and assignment were 'controlling,' the [Texas Supreme Court] held that the overriding royalty interest expired with the original lease and no constructive trust was warranted." *Id.* at 805 (citing *Sunac v. Petroleum Corp. v. Parkes*, 416 S.W.2d 798, 805 (Tex. 1967)). The Court, after discussing several other Texas cases, concluded that "no Texas court has yet recognized that a lessee generally owes any type of duty, whether it be an implied contractual covenant or fiduciary-type duty, to protect the interest of an overriding royalty interest holder so as to require the lessee to make repairs to well equipment, perpetuate the lease, and ensure that such overriding royalty interests are not extinguished." *Id.* at 809.

Turning to the facts of the instant case, the Court found that "there is no evidence of any special relationship of trust and confidence" between the ORRI Owners and Stroud. *Stroud*, 405 S.W.3d at 809. The Court explained that the assignments to the ORRI Owners did not contain "renewals and extensions" clauses and that the ORRI Owners did not identify any language in the assignments that obligated Stroud to repair the well or take other action to preserve and maintain the leases. *Id.* at 810. Before reaching its conclusion, the Court noted that there is a possibility under Texas law that "a party that engages in conduct to intentionally wash-out an overriding royalty interest may be subject to

liability.” *Id.* at 811 (citing *Ridge Oil Co. v. Guinn Invs., Inc.*, 148 S.W.3d 143 (Tex. 2004) and *In re GHR Energy Corp.*, 972 F.2d 96 (5th Cir. 1992)). However, the Court refused to impose any liability arising from the intentional termination of the leases to eliminate the overriding royalty interests “[b]ecause there is no evidence that [Stroud] violated any express or implied contractual duty and there is no evidence of the existence of a fiduciary or confidential relationship.”

Based on *Stroud*, and prior Texas caselaw, an operator has the ability to terminate a lease intentionally to eliminate an overriding royalty interest. However, an owner of an overriding royalty interest may be able to protect his interest by including in the assignment creating the overriding royalty interest (1) a renewals and extensions clause and (2) a provision creating a duty owed by the lessee to the owner of the overriding royalty interest. It is important for an operator seeking to wash-out an overriding royalty interest to examine the language of the assignment and consult legal counsel prior to terminating a lease to avoid liability.

[1] “[R]enewals and extensions’ clauses may be used to protect overriding royalty interests by ensuring that such interests apply to any leases that qualify as renewals or extensions of prior leases. *Stroud*, 405 S.W.3d at 799. However, a “renewals and extensions” clause, alone, may not be sufficient to prevent a wash-out of overriding royalty interests. See *Sunac v. Petroleum Corp. v. Parkes*, 416 S.W.2d 798, 804 (Tex. 1967) (construing both a renewals and extension clause and a surrender clause, and explaining that a lessee had no duty to continue the lease, but could surrender the lease at any time without consent of the overriding royalty interest owners); *Exploration Co. v. Vega Oil & Gas Co.*, 843 S.W.2d 123, 126 (Tex. App. – Houston 1992, writ denied) (declining to impose a fiduciary duty on a lessee even though the assignment contained a renewals and extension clause and the lease did not contain a surrender clause).

About the Author:

Eli Kiefaber is a partner with Kiefaber & Oliva LLP. Eli focuses his practice on oil and gas matters, including acquisition and divestiture of oil and gas assets, title opinions, joint operating agreements, federal leases, pooling and unitization issues. Kiefaber & Oliva LLP has attorneys licensed to practice in Colorado, Kansas, Louisiana, Mississippi, New Mexico, North Dakota, Ohio, Oklahoma, and Texas. kolawllp.com/

CPL HAPPY HOUR



3rd and Denver, Tulsa, OK 74103

February 26th, 2015

5:30PM – 6:30PM

For more information: rsheer@cimarex.com

Sponsored by: **McCLINN**
LAND SERVICES, LLC

***Participants must be an active member of TAPL and a registered CPL by February 26, 2015**

Important Message from the Membership Director

Dear TAPL Members:

I would like to thank everyone who has renewed their membership and welcome the newest members to our organization. As your Membership Director, I would like to challenge you to invite new qualified candidates, engaged in Land Work within the Oil & Gas Industry, to join TAPL and encourage your co-workers who have been members in the past to rejoin. Any expired member will be able to renew their previous membership until 12/31/14, by contacting at me jcampbell@cimarex.com or our Membership Administrator Grace Grimm at gracegrimmtapl@gmail.com. After that date, expired members will be required to complete a new application through the website.

Thank you for making this organization a success! I look forward to watching TAPL grow even more over the next several months.

In the meantime, if you have any questions or concerns please do not hesitate to contact me or Grace.

Best regards,

Jessica Campbell

Membership Director



TAPL Scholarship, Endowment and Awards Committee

TAPL Members,

The TAPL Scholarship, Endowment and Awards Committee would like to say thank you to all of the TAPL members and TAPL member companies that have made donations this year to the University of Oklahoma and University of Tulsa Energy Management Scholarship Endowment Funds. Over the last eight months TAPL has raised over \$93,000.00 towards the funding of the Scholarship Endowments, which means that with your generous donations you have helped us raise 1/3 of our overall goal for funding the Energy Management Scholarship Endowments. This is truly a great accomplishment, and the SEA committee is grateful for the generosity of everyone that has given this year, but we will continue to work hard in the upcoming year to reach our overall goal and fully fund these scholarships for a great cause.

We are also honored to announce the induction of TAPL member companies Eagle Rock Energy Partners and Samson Energy Company into the Century Club. The SEA committee introduced and unveiled the Century Club award during the TAPL November meeting and the award was on display at the December Social meeting, with the addition of the new Century Club inductees. The Century Club is an effort to recognize and honor those members and member companies that have gone above and beyond by making a \$100.00 donation to the Scholarship Endowment fund for every year they have been a member with the TAPL, or for those companies that give \$10,000.00 or more to the Scholarship Endowment fund. If you or your company would like to become a member of the TAPL Century Club or make a general donation to the Endowments, please contact Andy Matson (amatson@midcon-energy.com, (918) 748-3342) for more information.

Also, we have collected several nominations for the 2014 – 2015 TAPL Awards but we are still taking nominations for all award categories. If you know a TAPL member you would like to nominate for Rookie of the Year, Landman of the Year, or Life Time Achievement, please submit your nominations to Ben Brown at ben.brown@apachecorp.com.

Sincerely,

Andy Matson, RPL

SEA Committee Co-Chair



SPONSORSHIPS AVAILABLE

Sponsorship of our dinner meetings and socials is a great way to advertise to our membership. We offer sponsorships for our socials, dinners and pre-dinner cocktail hours. Each event costs only \$500 and your company logo is featured in our website, newsletter, emails about the event and on signage at the event, as well as recognition from the podium during the dinner.

Spaces fill up quickly so please reserve your spot now! Contact Harriet Connolly at:

tulsalandmen@gmail.com.

Newsletter ads are a great and cost-efficient way to reach our membership at the following rates:

\$200 for 1/4 page ad

\$400 for 1/2 page ad

\$600 for full page ad

Each ad runs for nine issues and we offer a 50% discount if a newsletter ad is purchased in conjunction with a website ad (\$650 for one year).

Thanks,

Harriet Connolly, RPL

TAPL Communications Director

918-237-4517



December AAPL Quarterly Board Meeting Report

Austin, TX



The AAPL Board of Directors has just concluded our December Quarterly Board Meeting at the Stephen F. Austin InterContinental hotel in Austin TX. With a full slate of Directors and Committee Chair's, your Board thoroughly reviewed and addressed the pressing issues of our Association. With Membership just under 20,000 and your Association is thriving financially and your Board reviewed, discussed and voted on numerous issues affecting all facets of issues affecting our Association, our Industry & our profession.

Staff Report:

The December Board meeting is always bulky with a number of issues to tackle. We have just wrapped up our external Audit of both NAPE & AAPL and we received high marks on both. Both Audits showed no major deficiencies and our assets have continued to grow over the previous year. AAPL has just moved into its new Headquarter building which is located at **800 Fournier Street in Ft. Worth, TX 76102.** This is a tremendous improvement to the public face of our Association. Renovations are almost complete and although there were some unexpected costs, the new space will be a tremendous asset to our Staff, Committees and the service we are able to provide on a day to day basis to our Members. Furniture for the new building is being donated by Southwestern Energy which is a tremendous cost saving. Our former headquarter building has been on the market for a few months and we are negotiating with three interested parties. At the September meeting, the Board voted unanimously to authorize the Executive Committee to proceed with a sale in any amount greater than 1.3 Million for the building and adjacent property. Membership Renewal remains a topic of conversation this quarter. As you know, due to the inability of our current Member Suite system to handle the ever growing demands of our Membership Renewals, AAPL was forced to administer the 2014 renewal program through a paper system this year which has been extremely cumbersome for our members and for the AAPL staff. However, the implementation of the new database system **will** be in place well before the 2015 renewal period and the Board has been assured that this process will be dramatically improved with the implementation of our new Personify system. We are on target to roll out Phase 1 of the Personify system on January 7th.

As you may know, AAPL announced an entire rebranding of the NAPE program in October at the NAPE Kickoff event at the JW Marriott in Houston. Be on the lookout for new logos and names for the entire slate of NAPE events. **NAPE Houston** is complete and had about 5500 attendees (about 100 less than 2013). There were 554 booths sold prior to opening and boasted 136 prospects from 20 states, Canada & China. We were under budget by about 500K for this event which is the result of exceptional work from the NAPE staff which has worked tirelessly to trim the fat on the annual NAPE budget. With the implementation of the other regional NAPE's and unfortunate scheduling of two other industry events in the surrounding weeks, the slight decline in attendance was expected and acceptable. As we turn our attention to **NAPE Denver**, which is scheduled for December 10 – 12 at the Denver Convention Center. This will be our second anniversary for this show & registration is ahead of last year which inclines the Board to expect another profitable event. **NAPE Pittsburgh** will be held on April 15 – 16 at the David L Lawrence Convention Center in Pittsburgh. **NAPE Summit** dates are February 11th – 13th. Former First Lady Laura Bush will headline the NAPE Charities Luncheon and former Governor of Alaska Sarah Palin will host our Decision Makers Breakfast. The NAPE Charities Luncheon has raised almost 300K for the four NAPE Charities (Impact a Hero, Canine Companions for Independence, Operation Comfort & Support a Soldier). The George R Brown Convention Center in Houston has scheduled some remodeling that will affect our NAPE attendees in 2015 & 2016. NAPE remains the major profit center for AAPL and the NAPE Operators Committee is working with the AAPL Staff and our NAPE partners to ensure that costs associated with all new Regional Expo's are as efficient as possible as we continue to grow the NAPE Brand for our Association. AAPL is forecasting a 7% growth in NAPE Revenue this coming year and has realized an approximate 30% growth since the 2011 Winter NAPE. At this time, no additional Regional NAPE's are scheduled and all future NAPE expansion discussions center around the international segment of Winter NAPE and potentially a NAPE International in Calgary.

We have created and launched our new AAPL Online Store which will provide members an opportunity to purchase a plethora of items sporting the AAPL logo or the AAPL Member Mark. We are currently in the process of producing the 2015 Landmen's Directory. For those of you that may not have seen it, you may download the NAPE App from your App Store and you will find an increasing amount of NAPE show information available through the app which will serve as a useful tool for those attending all of our NAPE events throughout the country. In addition, on the website you can now find an ever improved version of the AAPL Toolkit which can be a useful tool for in-house and field landmen in educating the public on what we do as a profession and as an industry.

Pursuant to numerous conversations with AAPL members in our region the subject of AAPL's policy on Background checks is still under review and is being compared to other associations of similar size and scope. The Membership Committee, The By Laws and Policy Manual Review Committee, the Executive Committee and the Staff will be collaborating on a joint Background Check Policy that will be proposed and discussed at our March Board Meeting. I would like to report that AAPL has never adopted a policy of universal across the board background checks. To my knowledge, the use of background checks has only been used as a tool to navigate the process described in the By Laws for those applying for membership that have been convicted of a felony or those members who have been involved in an alleged Code of Ethics and / or Standards of Practice infraction. Anyone who falls into either of those categories would be subject to a background check and would require a 2/3 majority vote of the respective Committee (Membership / Ethics), the Executive Committee and the Board of Directors.

Treasurer's Report:

The Treasurer's Report contains very positive news for our Association. As compared to September 30th, 2013 total assets have increased from 31,948,114 to 34,061,933 which reflects a total increase of 6.62%. Expenses have increased 21%, largely due to increased staff to accommodate growth of both AAPL & NAPE, the implementation of the government relations program, the new building and the Marketing / Public awareness campaigns. AAPL's investment accounts continue to be managed by Luther King. Although Luther King has done a tremendous job with our investment accounts, in part due to market corrections, we realized an 11% loss this quarter compared to the same period last year. It should be noted that a significant portion of that loss is the result of the Board's recent decision to transfer 4MM in stock to the Landman Scholarship Trust. The new Government Relations Program (KSE) is masterfully tracking the progress of hundreds of legislative advances affecting our industry across all 50 states. Of note, there are 53 legislative items that we are currently tracking in Oklahoma. The NAPE & AAPL audits are complete and only minor housekeeping issues were raised.

Education Report:

Numerous Educational events continue to be scheduled in our area and around the country. TAPL has hosted a WI / NRI Workshop, a Due Diligence Seminar and a CPL / RPL Review and Exam this year and will host 6 events in 2015 to include an RPL / CPL Review, a WI / NRI Workshop, a JOA Workshop, a Pooling Seminar, an Applied Land Practices workshop and the new Ethics 360 Seminar. AAPL hosted over 100 seminars in 2014. New seminars released in 2014 include the following: Negotiations, Title Curative, The

CALLING ALL CPLs



Join us on April 23rd, 2015 in a Driller's Suite
for dinner, drinks and the ballgame!

Gates will open at 5:30PM

To reserve your seat: rsheer@cimarex.com

*Due to seating capacity, this event is limited to the first 20 reservations (a wait list will be created)

**Participants must be an active member of TAPL and a registered CPL by April 1, 2015

Oil & Gas Lease and Provisions, a newly reformatted seminar on the Basics of GIS/Mapping, the Horizontal Modifications to the JOA & the new AAPL Ethics Program. AAPL has now launched the new Ethics Program 360 Program (half day seminar) and the standalone component, America's Landmen which is a 90 minute condensed version has been integrated into the Field Landmen Seminars, Institutes and in general by Land Managers as a standalone teaching aid. Planning is underway for the 2015 education calendar of offerings which will include some new seminars on the oil & Gas Lease as well as a Basics of Petroleum Economics. There are 18 scheduled Field landman seminars across the country this year. AAPL will be co-hosting a joint institute with SPE which is scheduled for March 2015. Finally, Richard Rosprim has announced that he will be retiring and Susie Mason has already begun teaching the CPL / RPL review.

Certification Report:

The Certification Committee continues to review about 60 – 80 applications per month and as of June 2014 has reviewed 309 CPL applications since 7-1-13; 525 RPL Applications since 7-1-13 & 516 RL Applications since 7-1-13. Our Association boasts 2,941 CPL's, 2,594 RPL's & 360 RL's. 32% of AAPL Members maintain a designation. Slight modifications to the CPL, RPL & RL application have been made. The Certification Committee is currently reviewing a recommendation to:

- Conform the Certification Program definition of "Landwork" & "Landman" to AAPL's revised By-Law definitions to enhance / clarify Program requirements.
 - "Qualifying Landwork" under this proposal would include (A), (B) **and / or (C)** below:
 - (A) Negotiating for the acquisition or divestiture of mineral rights
 - (B) Negotiation of business agreements that provide for the exploration of minerals
 - (C) Determining ownership in minerals through the research of public & private records**
 - Abstractors, photo shooters, deed copiers, curative personnel, pooling chasers & managing obligations, Lease Analysts & Title Analysts will still not qualify for certification
 - Applicants for Certification will continue to be required to be actively engaged in Qualifying Landwork for at least two years at the date of application
- Increase the amount of "Actual Experience" years & decrease the education "Credit Years"
 - RPL will require a minimum of 3 years of actual experience
 - CPL will require a minimum of 8 years of actual experience
- To continue to build strength and longevity within AAPL, the Committee suggests the extension of continuing education requirements not only for Certification, but for all AAPL members.
- In generating a guided career ladder for AAPL members through Certification, the Committee believes the RL, RPL, & CPL designations should be restructured with stronger requirements, objectives & goals.

The Board will consider a motion from the Certification Committee on the definition of a "Landman" & "Landwork" at the March Board Meeting. After thorough consideration, the Certification Committee has decided to maintain the three required CPL Sponsors for CPL applications, however at the September Board meeting the Certification Committee proposed and the Board approved a motion to accept 2 sponsors for the RPL application (only one of which must be a CPL). As many of you know firsthand the new CPL Exam has been implemented and has seen a dramatic decline in the initial pass rate (<50%).

Forms Report:

The 1989 HZ JOA Form is complete and available through Forms-on-a-Disk (FOAD). The 1982 HZ JOA Form revisions have been submitted to FOAD. The Model Form 610 JOA Revision Task Force is reviewing each provision but is entering into the “peer review” period in January with a final Draft to the Board at the March 2015 Meeting. There are continued discussions regarding case law on the exculpatory clause and successor liability, and suggested revisions relating to subsequent burdens and Pugh clause terminations as joint loss or failure of title. Anyone with specific issues that needs to be addressed in the JOA review is encouraged to submit your written thoughts so that they can be funneled to the committee for review. As the new Forms Committee convenes a discussion on the practicality of our relationship with FOAD is evolving and will be revisited in the coming months as we consider developing our own Forms hub through our new website.

If you haven't yet done so, I would like to encourage you to join our National Landman's Association (AAPL) in addition to your local Association (TAPL). Not only do AAPL & TAPL offer networking, continuing education, marketing and deal making opportunities, they also actively monitor and lobby for legislative and regulatory developments across the country that affect our industry. Perhaps most importantly, all AAPL members are subject to the AAPL Code of Conduct and AAPL Code of Ethics which encourage all members of our profession to act professionally and ethically in the course of our day to day business. AAPL provides avenues of continuing education and certification for its members, all of which work to ensure to the general public's well deserved trust as they encounter Landmen of the highest ethical and professional standards.

This report is intended to be a general summary of the meeting and if you are interested in additional detail or have questions, suggestions or concerns, please don't hesitate to reach out to me via phone at 281-408-1467 or via e-mail at H.Reinmiller@EagleRockEnergy.com so that I can more clearly describe the ongoing efforts of AAPL's Board to serve its members and advance our industry!!

Sincerely,

Hamel B. Reinmiller, CPL

Hamel B. Reinmiller, CPL
AAPL Director – Region 6



Career Assistance Program

The oil and gas business has always been a cyclical business. During uncertain and challenging times we all could use a little help. As a reminder, TAPL has a committee to oversee the development of the Career Assistance Program (CAP). CAP's goal is to provide help for current TAPL Members who are presently unemployed and looking to regain employment by posting resumes, listing job openings, and networking. In order to fulfill our goal of ensuring that all members are gainfully employed, we need everyone's help. Before assistance can be provided, we must first be notified as to who may need assistance.

If you are currently unemployed, or know of a TAPL member that is currently seeking employment, please email your or their name and contact information to Debbie Langey, debradlangley@yahoo.com. TAPL, with permission, will also be posting resumes on the TAPL website in an effort to facilitate in the job hunt. Please send all resumes to Debbie Langey as well or you can log in and upload your resume yourself. Furthermore, CAP is currently building relationships with various employers in Tulsa in an effort to stay informed as to job openings. If you are aware of any employers seeking to fulfill land positions, please notify Brandon Ward at bward@aritulsa.com and Brad Hargrove at bhargrove@samson.com.

Please note that all information will be handled with the utmost discretion, as privacy is of great concern. You can monitor the CAP's status, event schedule, and progress on the TAPL website and newsletters, coordinated by the Benefits Director, Russ Hargrove at rhargrove@samson.com. For more direct questions and concerns, contact Russ or the CAP's committee chair, Vickie Washburn, at vwashburn2@cox.net.

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Reminder on how to claim your AAPL Credits...

Recertification Credits Online



After attending an event, or purchasing a video in which you get RL, RPL, CPL recertification credits you must submit your affidavit of attendance; which is done by using the code you received with purchase or at the end of the actual class.

To do so:

1. Simply login to the portal, locate the "Submit Affidavit of Attendance" link under the My CE Credits section:

 **My CE Credits**

Year-to-date Credits: 0.0

- [Check My CE Credit / Certified Transcript](#)
- [Submit Affidavit of Attendance](#)

2. You will be asked to enter the code for the class or home study

Report Component Attendance

Select a Component

First, we need to know what component you are registering for. Enter in the code or ID number of the component.

Component ID/Code: *

3. Then you will be prompted to digitally sign that you attended the class or have reviewed the home study information.
4. Click "Finish" to confirm your credits

TAPL Members,

As you know, our industry is constantly under fire from environmental groups in many cities & states across the country and AAPL is actively promoting and lobbying for our profession. Part of that goal is to stomp out misinformation that if left unaddressed can be very harmful to the progress of our industry. In the face of a dramatic legislative assault in Colorado, Anadarko Petroleum along with Noble Energy and others put together a short 40 page booklet or “toolkit” that explains some of the common practices of our industry and attempts to rectify some of the misinformation that exists amongst the general public that may not have the same exposure that we do to the good work that our industry is doing every day. This booklet is intended to serve as a tool to help those in-house and field landmen who are dealing with the public on a daily basis and it has been approved for wide circulation, so feel free to share it with your team. Approximately 10% of the material is Anadarko specific and the remaining 90% is factual science & economy based information that has been vetted and sourced by numerous organizations. AAPL has a similar “toolkit” and may dovetail this information into our own product and / or rebrand this and disseminate as an additional tool to the AAPL Membership, but until that time, the TAPL Board wanted to make it available to any of you who might be interested in using it in your day to day operations.

[Click Here to View the Toolkit](#)

The logo for Cimarex, featuring the word "CIMAREX" in a bold, white, italicized sans-serif font. The text is set against a black background that is part of a larger graphic. To the right of the black area is a red triangle pointing upwards and to the right, separated from the black area by a white diagonal line. The entire logo is contained within a white rectangular frame.

CIMAREX

2014-2015 TAPL Committees

<u>Education Committee:</u>	<u>Director:</u> Stephen McNamara, Jr. Creek Canyon Resources	smcnamara@ccrok.com
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	Julie Ewing, RPL Samson Resources	jewing@samson.com
<u>Benefits Committee:</u>	<u>Director:</u> Russ Hargrove Samson Resources	rhargrove@samson.com
<u>Mentoring:</u>	Joey Stauffer, CPL PetroQuest	jstauffer@petroquest.com
<u>Scholarship & Awards:</u>	<u>Chairman:</u> Hamel B. Reinmiller, CPL Eagle Rock Mid-Continent Asset, LLC	h.reinmiller@eaglerockenergy.com
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2014-2015 TAPL Committees

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	Rhonda Stacy Mid-Con Energy, LLC	rstacy@midcon-energy.com
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<u>Skeet Shoot:</u>	Greg Hambric — Chair J. J. Chisholm Curtis Johnson Michelle Linton James Mitschke	
<u>Communications Committee:</u>	<u>Director:</u> Harriet Connolly, RPL QEP Energy Company	harriet.connolly@qepres.com
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2014-2015 Board Members

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