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Landman
Noble Energy Inc

BACKGROUND



DIFFERENT PERSPECTIVES

To make an organization work effectively, we need to understand the approach and function of its essential parts:

- Geology
- Engineering
- Land



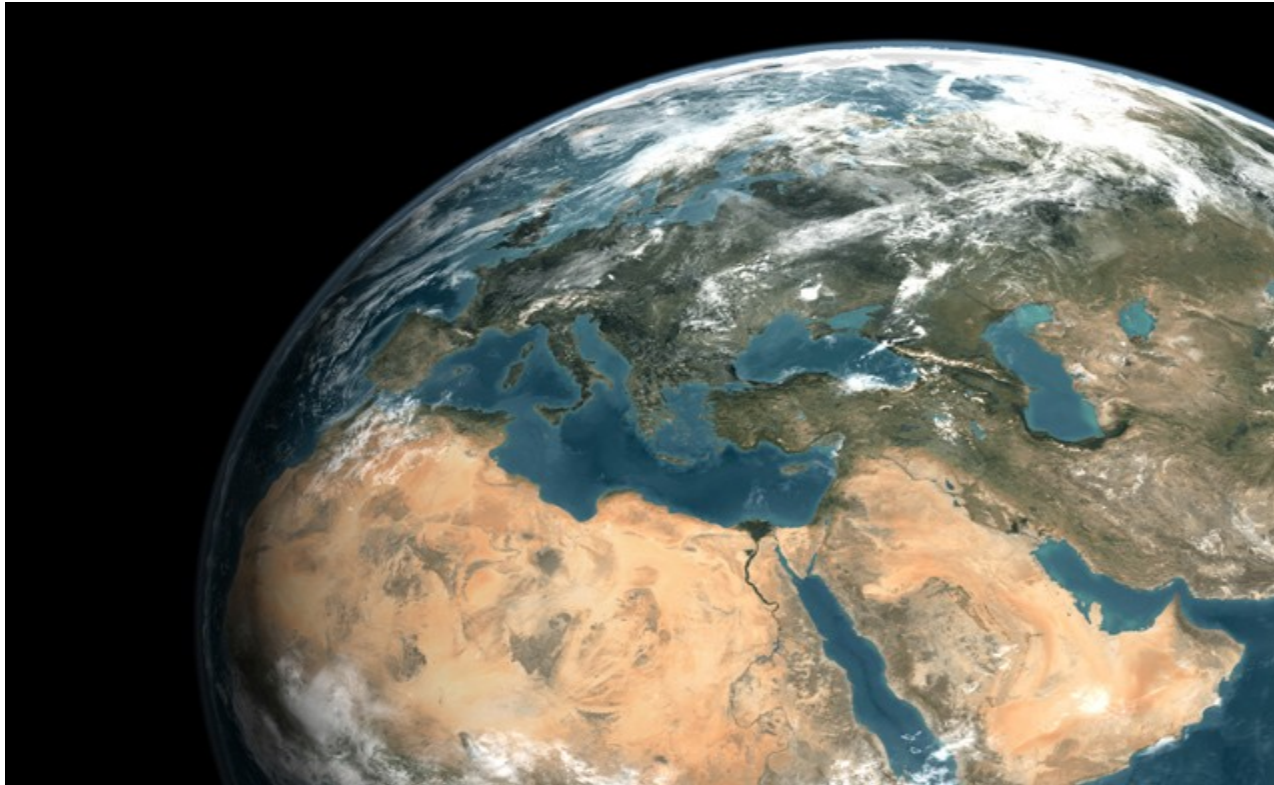
THE GEOLOGIST'S VIEW:

There it is!

The good stuff!



...OR MAYBE SOMETHING LIKE THIS:



Notice: no borders, and no rules!



THE ENGINEER'S VIEW:



It'll take work, but with a little luck we can get there



THE LANDMAN'S VIEW:



THE THREE ESSENTIAL FUNCTIONS OF AN ENERGY COMPANY



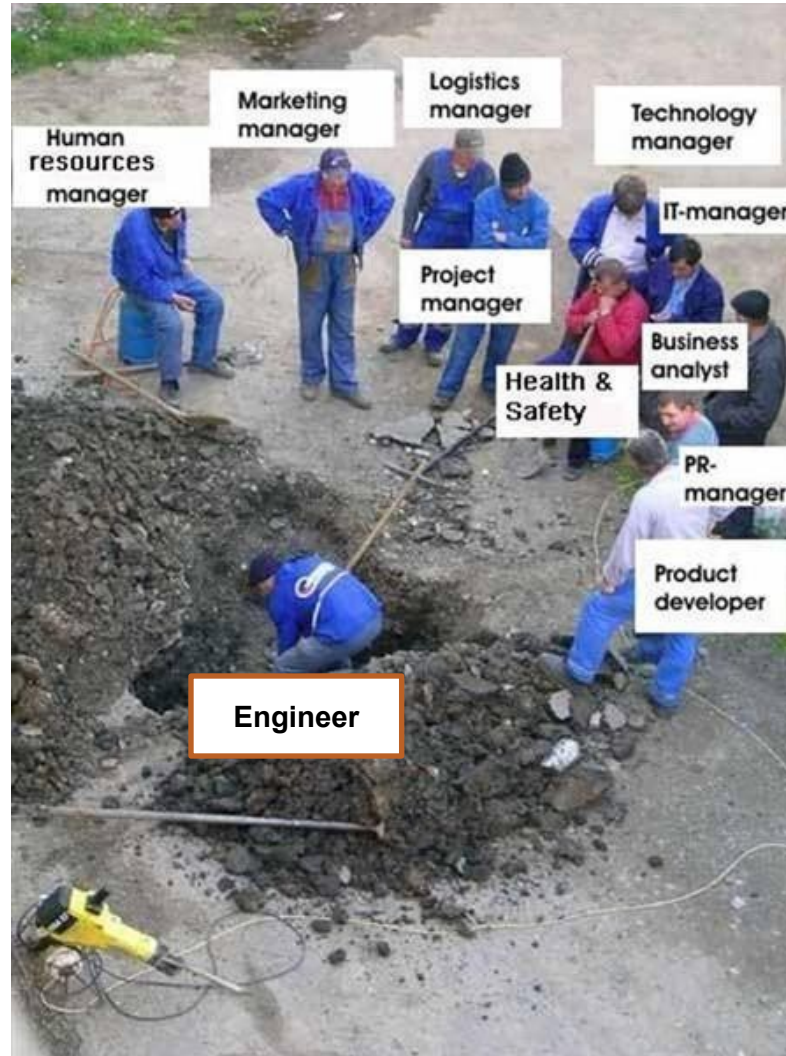
FUNCTION #1: GEOLOGIST

- Where is the good stuff?



FUNCTION #2: ENGINEER

- How do we get it out?



FUNCTION #3: LAND

- How do we get the rights to get it out?



CONCEPTUAL DIVISION: LAND VS. REGULATORY

- These two functions are often combined. What are the differences between them and why?
- We need to understand
 - How minerals are owned
 - Nature of the ownership



INTERNATIONAL LAND AND REGULATORY ARE OFTEN THE SAME

- Most of the minerals in the world are owned by the citizens (government) of the state in which they are located
- ...which controls access:
 - Concession (private ownership)
 - Contractual system (state retains ownership)
 - Production sharing
 - Service contract



...BUT IN THE UNITED STATES, INDIVIDUALS MAY OWN OIL AND GAS RIGHTS

- What is the nature of the ownership here?
- Historical concept of oil and gas ownership and oil and gas rights in the United States



WHY IS IT A LEASE?

- Example #1:



- Example #2:



- Example #3:



THE RULE OF CAPTURE

- What is it a Lease allows you to do?

Producers 88
Resource Form

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OIL & GAS LEASE

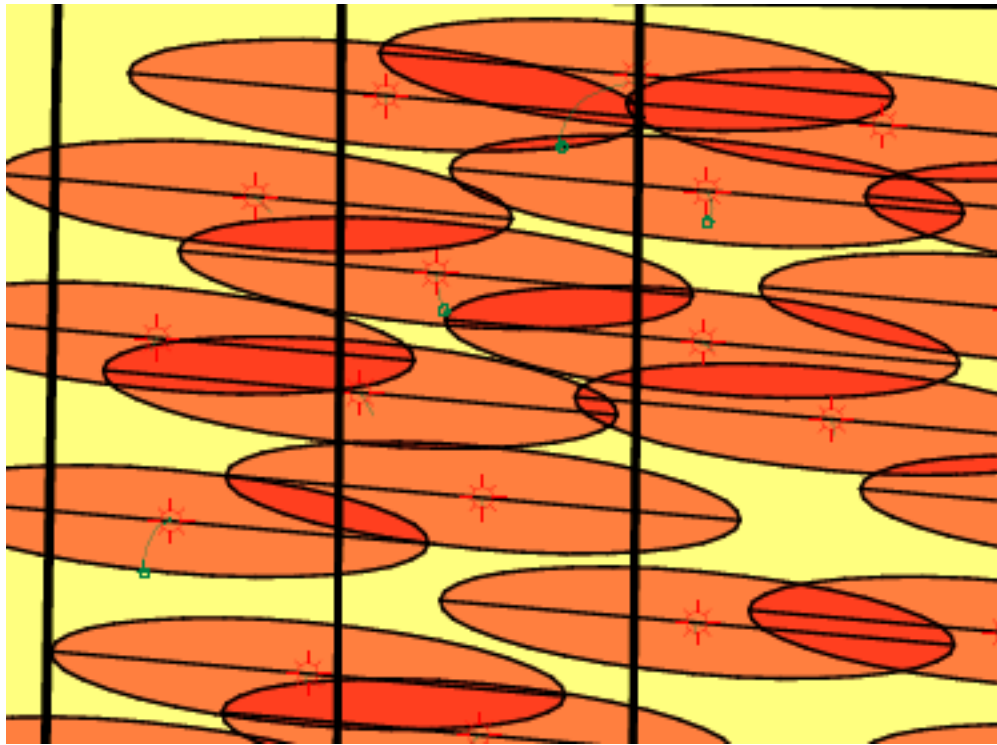
RECITALS THIS LEASE, made and entered into this ____ day of *Date*, 20____, by and between
_____, hereinafter called Lessor(s) and _____, hereinafter called Lessee,
WITNESSETH: *Parties*

GRANTING 1. Lessor, in consideration of the sum of ONE DOLLAR (\$1.00) and other good and valuable considerations in hand paid by the Lessee, the receipt of which is hereby acknowledged, and the covenants and agreements herein contained, hereby grants, demises, leases and lets exclusively unto the Lessee the lands hereafter described for the purposes of prospecting, exploring by geophysical and other methods, drilling, operating for producing oil and gas, or both, and the constituents thereof, including coal bed methane gas, together with the right and easement to construct, operate, repair, maintain and remove pipelines, telephone, power and electric lines tanks, ponds, roadways, plants, equipment and the subsurface strata and any and all other rights, privileges necessary, incident to or convenient for the economical operation of the lands alone or conjointly with neighboring lands for these purposes, the following described land (hereinafter called "said land", in _____ County, _____ State, to wit:



WHAT PROBLEMS ARISE FROM THE RULE OF CAPTURE?

- drainage
- Waste



...WHICH BRINGS US BACK TO THE DIVIDE BETWEEN LAND AND REGULATORY

- Oil & Gas Regulation accounts for the deficiencies of the rule of capture:
- 1) protection of correlative rights
- 2) prevention of waste

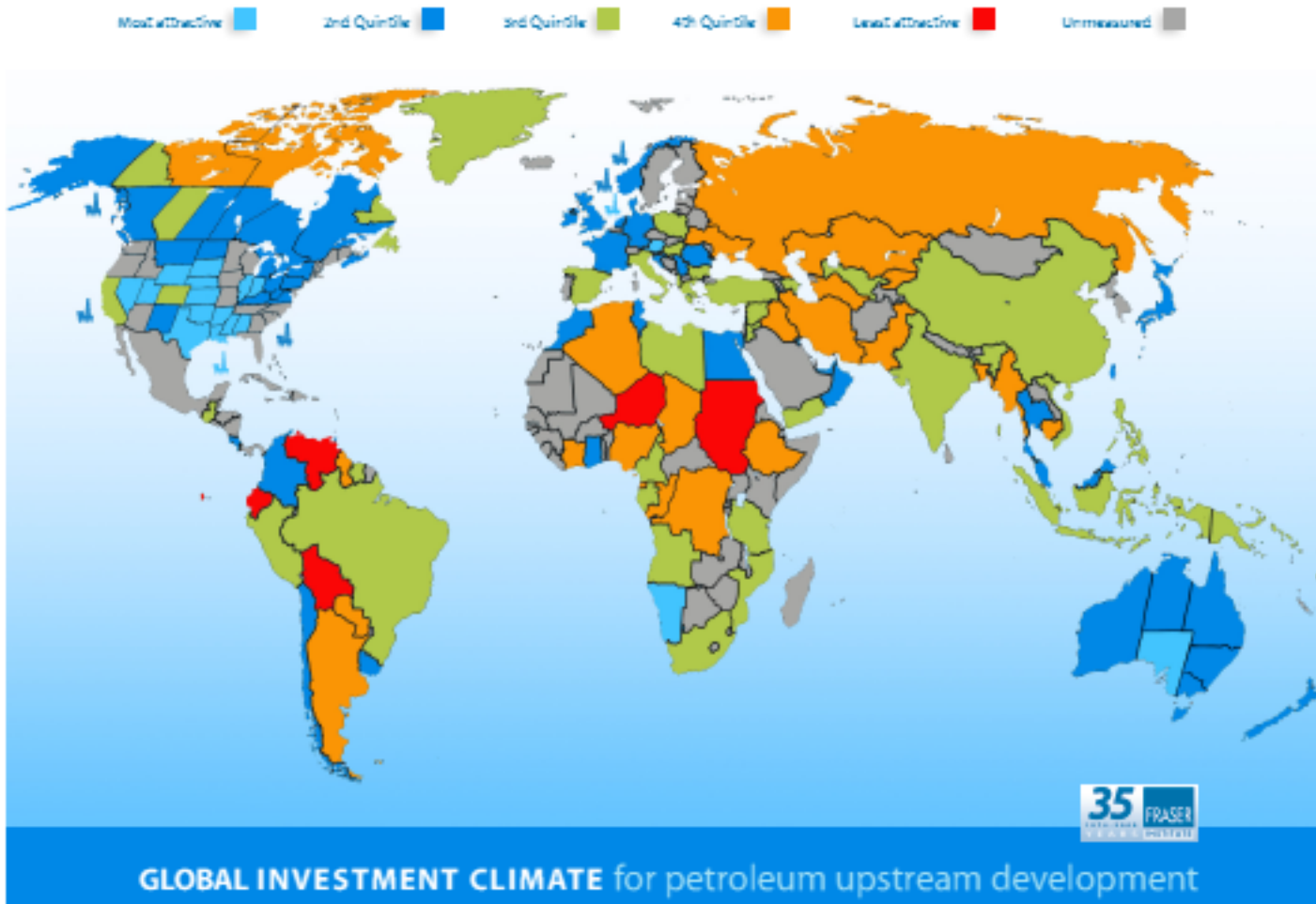
Scheme examples:

Texas

Oklahoma



EFFECT OF REGULATORY SCHEMES (CA. 2009):



SO WHAT DOES THE LAND DEPARTMENT DO?

- 1) Get rights to the minerals:
 - Leasing
 - Trades
 - Acquisition
 - Farm-in
 - Pooling (use of regulatory scheme)



2) ADDRESS WHAT HAPPENS ON THE SURFACE:

- Right of Way (long term access or disturbance)
- Lease access
- Wellsite
- Holding ponds (frac pits)
- Pipeline
- Surface damages (short term disturbance)
- Produced water disposal
- Gas contracts



3) SHOW ME THE MONEY!

- Who pays exploration & development costs?
- Who gets royalties? When? How?



HOW DOES LAND APPROACHES THESE TASKS?

- First inquiry:
 - How are the mineral rights owned?
 - Who has them?



LEASED VS. UNLEASED

○ Unleased minerals

- Individuals
- Federal / state / local
- Onshore / offshore
- Crown minerals & foreign concessions



LEASED MINERALS:

- Rules are set but somebody else already has the exploration or development rights!
- Speculator or competitor has the rights already
 - Acquisition
 - Farmin
 - Pooling



HOW DO WE FIGURE OUT WHO OWNS THEM?

- Courthouse / abstract company title research
- BLM office research
 - Use of contractors
 - Courthouse limitations
 - Security issues



TRADITIONAL LANDMAN IMAGE:



EVEN BETTER:



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Courthouse vault:



COURTHOUSE VAULT INTERIOR:



BASIS OF TITLE

- Ownership reports
- Title opinions
 - Why is it called an “opinion”?

Why are documents recorded in the county, anyway?



- January 4, 1936
- Dear Sir:
- I have examined the abstract of title in seven parts covering the south 236 1/2 acres out of Edmondson Survey in _____ County which you are preparing to buy and herewith render my opinion.
- Don't buy the * * * land. It has been my sorrow and burden to look over several horrible examples of a title examiner's nightmare, but this alleged title takes the cut glass fly swatter. It is my private belief that you couldn't cure the defects in this title if you sued everybody from the Spanish Government (who started this mess) on down to the present possessor of the land, who is in there by virtue of a peculiar instrument optimistically designated by the abstractor as a "general warranty deed."
- In the first place, the field notes of the Spanish Grant do not close; I don't think it possible to obtain a confirmation grant since the last unpleasantness in 1898. In the second place, there were 19 heirs of the original grantee, and only three of them joined in the execution of the conveyance unto the next party in this very rusty chain of title, which is a major defect in the first place. We might rely on limitation here, except that I am reliably informed that nobody has succeeded in living on this land for a period of two years before dying of malnutrition. Laches might help out, but anybody who undertakes to buy land under a title acquired by laches is like the man who sets out to carry the cat home by the tail -- he is going to acquire experience that will be of great value to him and never grow dim or doubtful.
- The land has been sold for taxes eight times in the last 40 years. The last purchaser sued the tax collector a month after he bought it for cancellation of the sale on the ground of fraud and misrepresentation. He doubtless had grounds, but this incident will give you a rough idea of what kind of muzzle-loading smoothbores have been fritzing the title. Nobody has ever redeemed one of these tax sales -- glad to be rid of it, no doubt.
- On January 1, 1908, a gentleman who appears suddenly out of nowhere, by the name of Ellis Gretzberg, executed a quit claim deed, containing a general warranty of title (!!!) to one Peter Parkinson. Parkinson, the prolific old Billy Goat, dies, leaving two wives and seventeen children, legitimacy of two of them being severely contested. I am not being funnier than the circumstances indicate. He actually left two wives and it appears never to have been legally adjudicated who he done wrong by. Each of the ladies passed away in the Fear of God and Hope of a Glorious Resurrection and left a will devising this land to her respective brats. A shooting match between the two sets of claimants seems to have assisted the title slightly by reducing their number to six and substituting 11 sets of descendants. One of the prevalent causes of defect in this title seems to be the amorous proclivities and utter disregard of consequence prevailing in this neighborhood.
- Your prospective vendor derives title by virtue of an instrument concerning which I have previously remarked. It is executed by a fair majority of one set of the offsprings of Peter (Prolific) Parkinson, and is acknowledged in a manner sufficient to pass a county clerk with his fee prepaid. Outside of the fact that it does not exactly describe the property under search, the habendum clause is unto the grantors, the covenant of general warranty does not warrant a thing, and it is acknowledged before it is dated, I suppose it is all right.
- I might mention that this land was the subject of trespass to try title suit between two parties who appear in the abstract for the first time and one of them recovered judgment awarding title and possession. We may waive this as a minor defect, comparatively speaking.
- I would advise you to keep the abstracts if you can. It is a speaking testimonial to the result of notaries public drawing instruments, county clerks who could put a menu on record if a fee was tendered, and jacklegged jugheads posing as lawyers.
- You can buy this land if you wish. There are at least 573 people who can give you as good title as your prospective vendor, not counting the heirs of the illegitimate son, Prather Linken, who died in the penitentiary in 1889.
- Yours very truly,
- _____
- P.S. You owe me \$200 for headache powder.



WHAT ARE TITLE REQUIREMENTS AND WHAT PURPOSE DO THEY SERVE?

- Risk vs. consequences
- Examples of title requirements:
 - **7. Deed from Stranger to the Title.** At Volume 393, Page 615, Deed Records, Wheeler County, Texas, we found a Special Warranty Deed dated November 9, 1989, from John Steven Phelps, a single man, to Joan Phelps, a single woman. This Deed conveys all of Section Nos. 15 and 16, Block L, J. M. Lindsey Survey, Wheeler County, Texas. We do not show John Steven Phelps as owning any interest in and to the above-captioned property.
 - REQUIREMENT NO. 7: You should determine what interest John Steven Phelps and Joan Phelps are claiming in and to the above-captioned property.
 - **8. Runsheet.** The examination done at the courthouse for this opinion was based upon a runsheet prepared by Glasgow LLC. We in no way guarantee against error or omissions made by Glasgow LLC.
 - REQUIREMENT NO. 8: None, advisory only.
 - **9. Unrecorded Oil and Gas Leases.** Out of the ten (10) oil and gas leases tabulated above, only one has been recorded. Despite this fact, we have given effect to each of the leases in setting forth the Division of Interests above.
 - REQUIREMENT NO. 9: All leases listed under Leasehold Title above which have not been filed of record should be recorded in Wheeler County, Texas.
 - **10. Leases from Strangers to Title.** As stated under Leasehold Title above, Lease Nos. 2, 7 and 10 are from persons who do not own a interest of record in and to the above-captioned property. We suspect that these are the heirs or devisees of Patricia Ann Thomas who owns a 3/32 mineral interest in and to Section No. 16. However, none of the materials which we examined showed Steve Thomas, Robert Thomas, or Jeanne Cole as owning any interest in and to the above-captioned property.
 - REQUIREMENT NO. 10: You should determine what interest, if any, Steve Thomas, Robert Thomas, and Jeanne Cole are claiming in and to Section No. 16. If these people are in fact the heirs and/or devisees of Patricia Ann Thomas, then evidence of this should be filed of record in Wheeler County, Texas.



SO LET'S GO GET THE RIGHTS!

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Resource Form

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OIL & GAS LEASE

RECITALS THIS LEASE, made and entered into this ____ day of *Date*, 20____, by and between
WITNESSETH: *Parties* _____, hereinafter called Lessor(s) and _____, hereinafter called Lessee,

GRANTING 1. Lessor, in consideration of the sum of ONE DOLLAR (\$1.00) and other good and valuable considerations in hand paid by the Lessee, the receipt of which is hereby acknowledged, and the covenants and agreements herein contained, hereby grants, demises, leases and lets exclusively unto the Lessee the lands hereafter described for the purposes of prospecting, exploring by geophysical and other methods, drilling, operating for producing oil and gas, or both, and the constituents thereof, including coal bed methane gas, together with the right and easement to construct, operate, repair, maintain and remove pipelines, telephone, power and electric lines tanks, ponds, roadways, plants, equipment and the subsurface strata and any and all other rights, privileges necessary, incident to or convenient for the economical operation of the lands alone or conjointly with neighboring lands for these purposes, the following described land (hereinafter called "said land", in _____ County, _____ State, to wit:

Property Description

Section _____, Township _____, Range _____.

In addition to said land, Lessor hereby grants leases and lets exclusively unto Lessee to the same extent as if specifically described herein all lands owned by or claimed by Lessor which are adjacent, contiguous to or form a part of said land, including all oil, gas and all substances produced in association therewith underlying lakes, rivers, streams, roads, easements and right of way which traverse or adjoin any of said land. For rental payment purposes, said land shall be deemed to contain _____ acres, whether it actually comprises more or less.

HABENDUM Subject to the other provisions herein contained, this lease shall be for a term of _____ years from this date (called "primary term") and as long thereafter as oil, or gas is produced from said land hereunder, or operations for drilling or reworking operations are conducted thereon.

ROYALTY 3. The royalties to be paid by Lessee are: (a) on oil and other liquid hydrocarbons, one-eighth of that produced and saved from said land, the same to be delivered at the wells, or to the credit of Lessor into the pipeline to which the wells may be connected; Lessee may from time to time purchase any royalty oil in its possession, paying the market price therefore prevailing for the field where produced on the date of purchase; (b) on gas and the constituents thereof produced from said land and sold or used off the premises or in the manufacture of products therefrom, one eighth of the market value at the well of the product sold or used. On product sold at the well, the royalty shall be one eighth of the net proceeds realized from such sale. All royalties paid on gas sold or used off the premises or in the manufacture of products therefrom will be paid after deducting from such royalty Lessor's proportionate amount of all post production costs, including but not limited to gross production and severance taxes, gathering and transportation costs from the wellhead to the point of sale, treating, compression and processing. Lessee shall have free use of oil, gas and water from said land, except water from said land, except water from Lessor's wells, streams, lakes, and ponds for all operations hereunder, and the royalty on oil and gas shall be computed after deducting any so used.

SHUT-IN If a well capable of producing gas and/or oil, in paying quantities is located on said land and is shut-in before production commences, or at any time thereafter, this lease shall continue in effect for a period of one (1) year from the date such well is shut-in, an amount equal to the rental, and if such payment or tender is made such well shall continue this lease in effect for a further period of one (1) year. In like manner and upon like payments or tenders annually made on or before each anniversary of the shut-in date of such well, such well shall continue this lease in effect for successive periods of twelve (12) months each. Notwithstanding any other provision to the contrary, this lease shall not terminate because of a failure to properly or timely make shut-in well payments unless Lessor shall have given Lessee written notice of such failure to properly or timely make such shut-in well payment and Lessee shall have failed for a period of thirty (30) days after receipt of such notice to tender such payment in the proper amount, together with a late or improper payment penalty of \$100.00.

Consideration

Substances Covered

*Mother Hubbard
"Cover All"
"More or Less"*

*-Primary Term
-2ary Term*

*Net
Proceeds*

*Production
Paying
Quantities*

DRILLING/
DELAY
RENTAL

5. If **operations** for drilling are not commenced on said land as hereinafter provided, on or before one (1) year from this date, the lease shall then terminate as to both parties unless on or before such anniversary date lessee shall pay or tender to Lessor or to the credit of Lessor in _____ Bank of _____ (which bank and its successor are Lessor's agent and shall continue as the depository for all rentals payable hereunder regardless of changes in ownership of said land or the rentals either by conveyance or by the death or incapacity of Lessor) the sum of \$ _____, (herein called rental), which shall cover the privilege of deferring commencement of operations for a period of twelve months. In like manner and upon like payments or tenders annually, the commencement of operations for drilling may be further deferred for successive periods of twelve (12) months each during the primary term. The payment or tender of rental herein referred to may be made in currency, draft, check or electronic funds transfer at the option of the Lessee; and the depositing of such currents, draft or check in any post office, properly addressed to the Lessor or said bank, or the transfer of such funds to said bank on or before the rental paying date, shall be deemed payment herein as provided. If such bank (or any successor bank) should fail, liquidate to be succeeded by another bank, or for any reason fail or refuse to accept rental, Lessee shall not be held in default for failure to make such payment, tender or transfer of payment of rental until thirty (30) days after Lessor shall deliver to Lessee a proper recordable instrument naming another bank as agent to receive such payment, tender or transfer. The bonus payment is consideration for this lease according to its terms and shall not be allocated as more rental for a period. Lessee may at any time execute and deliver to Lessor or to the depository above named or place of record a **release** or releases covering any portion or portion of said land and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered and thereafter the rentals payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release of releases.

Operations

*Partial
Release*

DRY HOLE

6. Should any well drilled on said land during the primary term **before production** is obtained be a dry hole, or should production obtained during the primary term thereafter cease, then and in either event if operations for drilling an additional well are not commenced or operations for reworking an old well are not pursued on said land on or before the first rental date next succeeding the expiration of sixty (60) days after the cessation of production or drilling or reworking operations on said well or wells, then this lease shall terminate unless Lessee, on or before said date, shall resume the payment of rentals. Upon resumption of the payment of rentals, Section 5 governing the payment of rentals shall continue in force just as though there had been no interruption in the rental payments. If during the last year of the primary term and prior to the discovery of oil, gas or other hydrocarbons on said land Lessee should drill a dry hole thereon, no rental payment or operations are necessary in order to keep the lease in force during the remainder of the primary term.

*During
Primary
Term*

CONT.
DRILLING

If at the expiration of the primary term, oil, gas, or other hydrocarbons are not being produced on said land, or on acreage pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon or shall have completed a dry hole thereon with sixty (60) days prior to the end of the primary term, the lease shall remain in force so long as operations on said well or for drilling reworking of any additional well are prosecuted with no cessation of more than sixty (60) consecutive days, and if they result in the production of oil, gas or other hydrocarbons, so long thereafter as oil, gas or other hydrocarbons are produced from said land or on acreage pooled therewith.

*W/in 60 days
of expiration*

CESS. OF
PRODUCTION

If, after discovery of oil or gas, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences reworking or actual drilling within sixty (60) days thereafter, or, if it be within the primary term, commences or resumes the payment or tender of rentals or commences actual drilling or reworking on or before the rental paying date next ensuing after the expiration of sixty (60) days from date of completion and abandonment of said dry hole or holes or the cessation of production.

*During
2ary
Term*

POOLING

7. Lessor grants unto the Lessee the right to pool into separate drilling or production unit(s), as to any one or more formations, said land or any part thereof and the leasehold estates therein in the vicinity of said land, whether contiguous or non-contiguous, held by Lessee or other Lessees, when in Lessee's judgment, it is necessary or advisable to create such pools to develop and operate efficiently

POOLING
(CONT'D)

such lands. Any such unit may not exceed six hundred forty (640) acres provided, however, that larger pools may be created to conform to any well spacing or unit prescribed by any governmental authority. Lessee, alone or with other Lessees, may form any pool before or after completion of the well thereon by recording in the county wherein the pooled lands are located declaration of such pooling and by mailing a copy thereof to Lessor.

*640 ac
max*

Neither the pooling nor the provision hereof shall operate as a transfer of title of any interest in the leased premises. The commencement of a well, the conduct of other drilling operations, the completion of a well or of a dry hole, or the operation of a producing well on the pooled area, shall be considered for all purposes (except as to royalties) **as if said well were located on**, or such drilling operations were conducted upon, the lands covered by this lease whether or not such well is located upon or drilling operations are conducted upon said lands. The royalties provided for in Paragraph 5 hereof shall be tendered or paid to Lessor in the proportion that Lessor's acreage in the pooled area(s) bears to the total pooled area. Lessee shall have the right but not the obligation, to reduce, enlarge, or modify such pools at any time. The royalties and such other payments tendered or paid thereafter shall then be based on the proportionate acreage and interest in the revised pool. If at anytime the pool is not being operated as aforesaid, the declaration of pooling may be surrendered and cancelled of record. Such cancellation or surrender shall not affect a surrender or cancellation of the lease.

*Lessor acres
Pooled acres*

SURRENDER

8. Lessee shall have the right at any time without Lessor's consent to surrender all or any portion of said land and be relieved of all obligations as to the acreage surrendered, Lessee shall have the right within a reasonable time after the expiration of this lease to remove all property and fixtures placed by Lessee on said lands including the right to draw and remove all casing. When required by Lessor, Lessee will bury all pipelines below ordinary plow depth, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said land without Lessor's consent. The Lessee agrees to promptly pay to the owner thereof any damages to growing crops, or improvements, caused by or resulting from any operations of Lessee.

*Surface Use
Restrictions*

ASMT

9. The rights of either party hereunder may be assigned, in whole or in part, and the provisions hereof shall extend to the heirs, successors and assigns of the parties hereto, but no change or division of ownership of said land, rentals or royalties, however accomplished, shall operate to enlarge the obligation or diminish the rights of Lessee. **No change in the ownership** of said land, or any interest therein shall be binding on Lessee until Lessee shall be furnished with a certified copy of all recorded instruments, all court proceedings and all other necessary evidence of any transfer, inheritance or sale of said rights. In event of the assignment of this lease as to a segregated portion of said land, the rentals payable hereunder shall be **apportionable** among the several leasehold owners ratably according to the surface area of each, and default in rental payments by one shall not affect the rights of other leasehold owners hereunder. In case Lessee assigns this lease in whole or in part, Lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

*O'ship Change
Prop. Reduction*

**FORCE
MAJEUR**

10. In the event the Lessee is unable to perform any of the acts to be performed by the Lessee by reason of any force majeure or "Act of God" including but not limited to storms, floods, strike, riots and governmental restrictions, then while so prevented, Lessee's obligations to comply with such covenant shall be suspended, and Lessee shall not be liable for damages for failure to comply therewith; and this lease shall be extended while and so long as Lessee is prevented by any such cause from conducting drilling or reworking operations on, or from producing oil or gas or other hydrocarbons from the leased premises; and the time while Lessee is so prevented shall not be counted against the Lessee, anything in this lease to the contrary notwithstanding, and, if such cause shall extend within 90 days of the end of the primary term, this lease shall be extended for 90 days after the cessation of such cause and as long thereafter as there are operations on or production from the lease or lands pooled therewith.

*90 day
extension
from event*

WARRANTY

1. Lessor hereby warrants and agrees to defend title to the lands and interests herein described, but if the interest of Lessor covered by this lease is expressly stated to be less than the entire fee or mineral estate, Lessor's Warranty shall be limited to the interest so stated. Lessor further warrants that the lands hereby leased are not subject to any valid prior oil and gas leases. Lessee shall have the right at any time to pay for Lessor, any mortgage, taxes or other lien on said lands, in the event of default of payment by Lessor and then be subrogated to the rights of the holder thereof. Any such payments made by Lessee for Lessor may be deducted from any amounts of money which may become due Lessor under this lease.

*Title
Failure*

NEGOTIATING: BALANCING INTERESTS

- What is bonus?
- Royalty vs. bonus
- Pugh clause:
 - Depth
 - Area
- Other terms



NOW LET'S TAKE CARE OF SURFACE ACCESS!

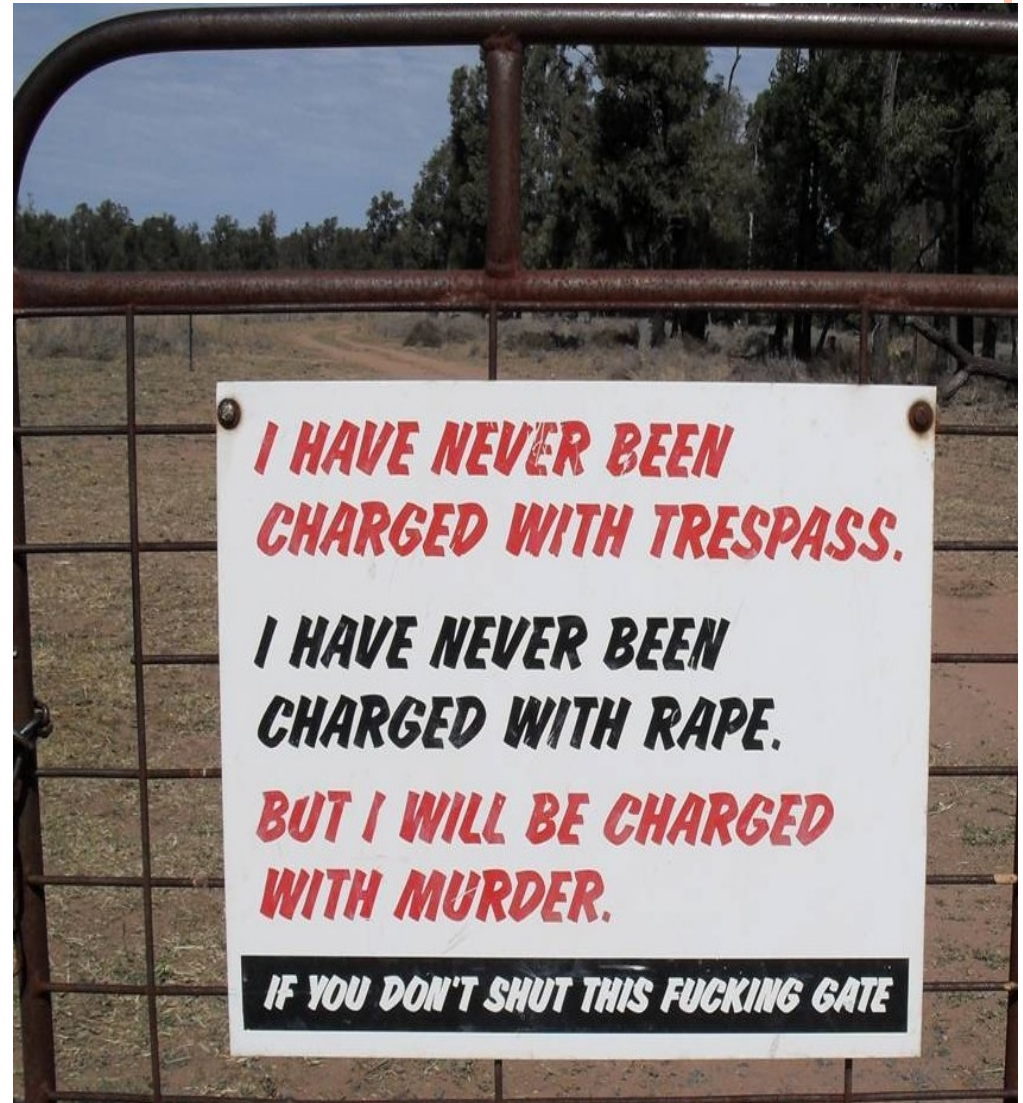
- Contract carries implicit priority
- BUT
 - Some states require surface accommodation
 - Statutory
 - Precedent
 - EHS considerations
 - SWD
 - commingling



SO, WE NEGOTIATE SURFACE ACCESS AND DAMAGES

Typical surface agreement provisions:

- Water use
- Wellsite damages (liquidated)
 - Dimensions and location
 - Consultation or approval?
- Restoration requirements
 - Post drilling
 - Long term (abandonment)
- Roads & pipelines
- Fences, gates, cattle guards
- Employee conduct
- Violations
- What if it were YOUR place?



...AND SECURE ADDITIONAL RIGHTS NECESSARY TO DEVELOPMENT:

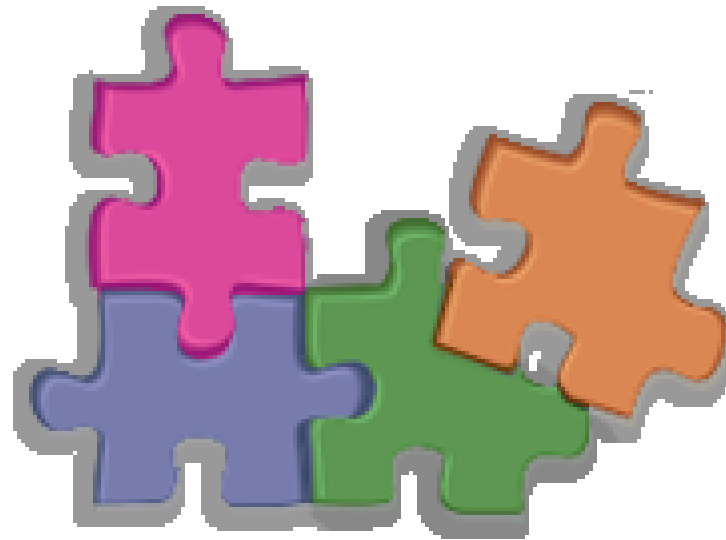
- Pipeline routes
- Continuing access
- Disposal rights

Remember, our job is to turn you loose!



WHOA, THERE! WHAT IF WE DON'T OWN ALL THE RIGHTS?

- Just acquired a piece
- Need to pool into a spacing unit
- Joint venture



OK, HOW DO WE INVOLVE THE OTHER OWNERS?

- KS / TX rules of co-tenancy
 - Carry
- OK pooling, which forces a lease or a
- Joint Operating Agreement
 - Operator
 - Drilling & development
 - Expenditures & liability
 - Maintenance of uniform interest
 - Exhibits:
 - “A”: area
 - “B”: lease form
 - “C”: accounting procedure (COPAS)
 - “D”: insurance
 - “E”: gas balancing agreement



OUR DISCUSSION ISN'T COMPLETE WITHOUT A WORD ON FARMOUTS

- What are we trying to accomplish?
 - “Win-Win”
 - Typical clauses:
 - Wellbore-only vs. area
 - ORR vs. WI retention
 - Convertible?



WHISTLING ALL THE WAY TO THE BANK? PROBLEMS THAT ARISE

- Unexpected need while developing
 - Surface:
 - bigger pad, more water, road issues, irrigation & crops, livestock
 - Competing surface development
 - Lease:
 - Ownership changes, Pugh clause
- Uneven treatment and coffeeshop talk



OK, THE DRILLING IS DONE. LET'S MOVE ON

- Who do we pay and how?
 - Handoff to Division Orders; post-drilling curative
 - Drilling vs. division order curative
- Ongoing operations
 - Most important aspect in my experience:
 - Surface disturbance / damage
 - Ruts, spills, fires, washouts
 - Shut-ins
 - Price, captive pipeline issues
 - Pooling
 - Later pooling & division order issues
 - Horizontal development on vertical leases
 - New vertical development post-Pugh





FIN

- Questions?

