# The Override

Every Landman Wants One!

Volume II, Issue 4

November, 2007



### Inside This Issue:

Presidents Message	1
Luncheon Speaker	1
Editor's Corner	2
Lawyer's Joke of the Month	5
Treasury Report	5
Case of the Month	6
Scheduled Luncheon Topics	5
Chapter Board Meeting	5
New Members and Transfers	5

# 2006–2007 Officers & Board of Directors

Joel W. Miller President Transamerica Minerals Co. 310-533-0508

> Rae Connet, Esq. Vice President Petroland Services 310-379-8638

Sharona Noormand Secretary Independent

Charlotte Hargett Treasurer PXP-Plains Exploration 323.298.2206

Joe Munsey Local Director AAPL Region VIII Director Sempra Energy Utilities 714-751-5557

Edgar Salazar Local Director AAPL Region VIII Director PXP-Plains Exploration 323.298.2449

> Kevin Rupp, CPL Past President Independent 805.644.2990

Joe Munsey Editor Sempra Energy Utilities 714-751-5557

Randall Taylor Publisher Taylor Land Service, Inc. 949-235-7307

# Presidents Message

# Joel W. Miller, Energy Asset Analyst Transamerica Minerals Company PEAK OIL IS HERE!!!

Well...maybe or maybe not...no one really knows and there are great arguments for both sides. News on Nov 1st was December crude contracts hit \$96.24 in after-hours electronic trading, Exxon Mobil earnings show a 2% decline in production, and Sadad I. Al-Husseini, former executive head of exploration and production at Saudi Aramco, is quoted saying major oil-producing nations are inflating their oil reserves by as much as 300 billion barrels.

Is Peak Oil a dooms-day conspiracy theory for those who are stockpiling gold in home-made bomb shelters? Or is it a proven economic model based on fact? Things we do know. The production of crude oil will someday peak. If it happens soon, then some economies will begin to fall into major recessions and countries will begin strategically positioning themselves with oil producing nations. If it happens later, then technology will continue to develop help soften the landing for a world based on something other than oil.

Many of you have seen some amazing events during your career like the Arab Oil Embargo, 1980s Price Bust, Knotty Head Well drilled to total depth of 34,189 feet in the Gulf of Mexico, and so on...It will be interesting to see what the world oil markets have in store for younger generations such as mine that have roughly another 35 years of work in the industry. I'm sure it will be a wild ride. See you soon.

Joel, President LAAPL 07-08

"Energy is the basis of our industrial civilization and sustains our standard of living. It is the foundation stone of our national wealth. A nation starved of energy...will be a nation of starving people."



Offshore

# November Luncheon Speaker



Our November speaker is Dan Kramer, President of KPA Strategies, has more than 20 years experience in political, campaign and trade association management, investigative research and public relations. He is an expert in developing and implementing effective public affairs campaigns for businesses, institutions and individuals under attack from competitors, activists, political and regulatory officials, and the media.

Dan holds both a B.A. and Master's degree from the University of Southern California. If your plans do not allow you to attend this informative meeting, please go to www.kpastrategies.com and "meet" the speaker.



#### Editor's Corner

## Joe Munsey **Newsletter Chair Sempra Energy – Utilities**

The West Coast Landmen's Institute passed a milestone when it celebrated its 25th session in the wonderful surroundings of the city and county of Santa Barbara. For those who attended. it was a remarkable seminar with top notch speakers. And those who could not attend, well, you just simply missed it. I trust you will enjoy the photos we included in "The Override."

The year 2007 is close to calling it quits and "by George" we just might see \$100 oil by the end of the year. Although, a recent article in "Forbes" said we are going to see \$60 oil by the time we see 2008. Our Chapter President, Joel Miller of Transamerica Minerals, reminds us the price of oil can be anyone's guess. I throw my two cents worth in....oil will be \$98.59 come Christmas. Let's see if my prognostication starts a rally at the NYMEX.

Let's get off the subject of higher oil prices as it hits the pocket book of everyone; we should be focusing on the upcoming holidays. As of this writing you have 52 days left to get your Christmas shopping, or 32 days for Hanukah. Talk about a dent in the household budget. But we all love the season of giving, of glad tidings to all and all around sense of good cheer. I love the spirit of the holidays. It all starts as we begin to approach Thanksgiving. After a wonderful meal around the table

with family and friends, the shopping place in the year 2007. For those list starts to come out and we begin the end of the year festivities. As in the McDonalds commercial...."I'm lovin

On to the business at hand, our Case of the Month will be covered by Rae Connet, Esq. of Pertroland Services. She follows up with the Starrh and Starrh Cotton Growers v. Aera Energy, LLC, Cal.App.4th (July 20, 2007) which she presented briefly at the WCLI. The recent decision out of the Fifth Appellate District of the California Court of Appeal involves a subsurface trespass resulting from the migration of produced waste water from oil field operations and raised a number of unique legal issues. For more, see Rae's comments in the Case of the Month Section.

We are pleased our guest speaker, Dan Kramer of KPA Strategies, who has more than 20 years experience in political, campaign and public relations, will be addressing the luncheon crowd. His topic, "Attacking the Attacker" should be of interest to all who have ever had their project(s) experience a bump in the road by those opposing it.

As I "sign off" for the rest of the year, it goes without saying, keep our troops in your prayers and support. Enjoy your Thanksgiving and be thankful for this year's blessings. Take pleasure in the spirit of Christmas, or Hanukkah, and spread peace on earth towards all. God Bless America!

I look forward to seeing everyone at the Long Beach Petroleum Club November 15th, 2007.

# 2007 MICKELSON GOLF **CLASSIC A SUCCESS – THE REAL STORY**

Edgar G. Salazar, Land Manager **PXP Plains Exploration Golf Committee Chairperson** 

Your Editor has the real scoop on what took place at the 3rd annual LAAPL Mickelson Golf Classic which took

readers who may have skipped reading the article in "The Override" last month about the golf outing; your Editor actually ran 2006's golf outing report.

How is that for tending to all things important? However, with beaming pride I now give you Edgar's accurate rendition of the 3rd annual Mickelson Golf Classic.

The 3rd annual LAAPL Mickelson Golf Classic held at the Malibu Country Club on August 3 was a rousing success. Numerous sponsors, everyone's generosity and assistance from many supported the LAAPL in raising over \$4000 to the benefit of the R.M. Pyles Boys Camp.

A perfect day of golf was enjoyed by 28 golfers. The results are as follows:

1st place in this Texas Scramble tournament went to Gary Plotner, Mike McPhetridge, Jim Drennan and Chris Boyd with a net score of 61;

2nd place to Bill Mickelson, Pat Mickelson, Jack Grundeen and Angela Mickelson with a net of 65.

**Individual honors:** Chris Boyd, longest drive and Jim Drennan, closest to the pin.

Congratulations to all the golf winners.

Bill Mickelson (and a few of his friends) was the recipient of birthday cake; our honoree achieved a major milestone in realizing 80 years on Earth with us!! Congratulations once again Bill!!

After dinner, the raffle was held; outstanding in that, not only were very nice gifts raffled away, but generosity become most evident as a record cash contribution was realized. Thank you

Once again, the LAAPL thanks everyone of you for your support and generous contributions to this fundraiser. We look forward to the 4th Annual Michelson Golf Classic in 2008

## WCLI 25TH ANNIVERSARY A SUCCESS

The site of the WCLI 25th Anniversary was held in the beautiful and breathtaking City of Santa Barbara. The attendance broke some past records; the speaker line up was second to none; evening dinners were spectacular, accommodations great and the city's ambiance topped it all.

Of course, coordinating the efforts of this WCLI goes to Chairmen Edgar Salazar, PXP Plains Exploration, and Kevin Rupp, CPL, Independent. It goes without saying; Lisa Rupp was part of the success with (behind the scenes) hard work in coordinating locations and venues.

Committee members: Charlotte Hargett - PXP, Joel Miller - Transamerica Minerals, Chris Boyd - Aera Energy, Mary Costa-Berry Petroleum Company, Jim Lynn - Towne Exploration, Steve Burke - PXP and Pat Moran – Venoco, non committee members Terry Allred, Transamerica Minerals and Sharona Noormand, Independent, and for those not recognized here; the LAAPL members and all who attended appreciate your efforts in organizing this year's WCLI. Lest we forget the companies who employ these fine professionals by allowing them to donate their time in making this event happen.

Last but least, our speakers and sponsors for the WCLI who ensured a memorable 25th anniversary.

# JOINT MEETING WITH L.A.B.G.S.

LAAPL's January luncheon will not fall on the third Thursday of the month. Our meeting will be a combined effort with the Los Angeles Basin Geological Society on January 24th, the fourth Thursday of the month. More notices to come!

# WCLI 2007 Photo Gallery



Co-Chair Edgar Salazar, PXP, and the Lovely Mrs. Salazar who Probably Wants her Husband Back from All the Time Spent Working the WCLI and Mickelson Golf Classic

Co-Chair Kevin Rupp, CPL, Independent and his Co-Chair, Lisa Rupp

> (Photo is lowresolution; we apologize for the appearance)





Committe Members Charlotte Hargett, PXP and Chris Boyd, Area Energy

# WCLI 2007 Photo Gallery - continued



Dave Kilpatrick of Kilpatrick Energy Really Did Say We Were Running Out of Oil



Did We Say the Food Was Great - Brian Stanek of PXP Thought So!



Fine Professional Landmen - Terry Allred, RLP, Transamerica & Steve Burke, CPL, PXP



Landmen Doing What They do Best



Some Serious Paying Attention



Without Sponsors - Where Would the Food and Drinks Come From?



# Treasurers Report

As of 04/03/2007, the LAAPL account held a balance of	\$ 5,898.84	1
Luncheon 9/20/2007 20 Buffets/w/tax (invoice 3128)	\$ 349.45	5
19 members paid for lunch	\$ 342.00	)
The LAAPL account with Bank of America as of October 11,2007, shows a balance of	\$ 5,891.39	)
Merrill Lynch Money Account shows a total	\$10,259.32	2

# NEW MEMBERS AND TRANSFERS

Our Chapter Board of Directors welcomes the following new member to the Los Angeles Chapter:

John J. Harris, Esq.
Meyers Nave
333 S. Grand Avenue
Suite 1670
Los Angeles, CA 90071
jharis@meyersnave.com
213-626-2906

**No Transfers** 



Randall Taylor Petroleum Landman 949-235-7307 randall@taylorlandservice.com

# CHAPTER BOARD MEETINGS

The Board of Directors did not hold a board meeting in September at our luncheon

The Board of Directors meet on the third Thursday of the month at 11:00 AM at the Long Beach Petroleum Club. Board meeting dates coincide with the LAAPL's luncheons.

We encourage members to attend and see your Board of Directors in action.

### LAAPL CALL FOR ANNUAL DUES

## Charlotte Harqett, Land Technician Plains Exploration & Production Company LAAPL Treasurer

Per Chapter by-laws, a Notice for Dues was recently sent out to LAAPL Chapter Members. Renewal is \$40.00; please send your renewal notices along with your payment as follows:

Charlotte Harqett LAAPL Treasurer PXP – Plains Exploration 5604 S. Fairfax Avenue Los Angeles, CA 90056

#### R. M. PYLES BOYS CAMP

As many of our members are aware, the annual LAAPL Mickelson Golf Classic is also an event in which we raise funds for the R. M. Pyles Boys Camp. The Pyles Camp works with deserving, disadvantaged boys who are recommended by social service or law enforcement agencies and other youth organizations before they get into serious trouble. As mentioned in Edgar Salazar's article the golf outing raised over \$4000.00 for the camp.

We received a letter from Stephen J. Makoff, Executive Director, who expressed his gratitude for the LAAPL's continued support to the organization. Makoff stated in his letter, our donations helped ensured the continued success in reaching the maximum number of boys who can attend the camp.

## SCHEDULED LAAPL LUNCHEON TOPICS AND DATES

November 15, 2007

Daniel Kramer

January 24, 2008

Joint Meeting With

Los Angeles Basin Geological Society

March 20, 2008

John Harris, Esq.

Topic – Assembly Bill 2867

Assessment of Mineral Rights

Officer Nominations

May 15th

Eco & Associates

Topic - CEQA Process for Drilling

Permits

Officer Elections

## **OUR HONORABLE GUESTS**

September's luncheon was another successful LAAPL Chapter luncheon meeting held at the Long Beach Petroleum Club. Our guest of honor who attended:

Rev Javier, Brea Canon Oil

# Lawyer's Joke of the Month

### Jack Quirk, Esq. Bright and Brown

FIVE RULES FOR A HAPPY LIFE:

- 1. It is important to have someone who helps at home, cooks from time to time, cleans up, and has a job.
- 2. It is important to have someone who can laugh with you.
- 3. It is important to have someone you can trust and who does not lie to you or hide things from you.
- 4. It is important to have someone who likes to be around you and enjoys the physical side of your love.
- 5. It is very, very, very important that these four people do not know each other.

#### Case of the Month =

....................

# Subsurface Trespass of Migrated Waste Water Starrh and Starrh Cotton Growers v. Aera Energy, LLC Cal.App.4th (July 20, 2007) [Slip Opinion, Case No. F047540. Fifth Dist. Jul. 20, 2007.]

By: L. Rae Connet, Esq., Petroland Services

The recent decision out of the Fifth Appellate District of the California Court of Appeal in Starrh and Starrh Cotton Growers v. Aera Energy, LLC, (July 20, 2007) Case No. F047540, involves a subsurface trespass resulting from the migration of produced waste water from oil field operations and raised a number of unique legal issues, namely: (1) whether the damages resulting from migrating waste water are permanent damages or continuing damages; (2) whether restoration costs can be awarded when such costs are unreasonable in light of competing interests; and (3) whether profits can constitute "benefits obtained" within the meaning of Civil Code section 3334, subdivision (b)(1), when linked to the trespass.

The factual basis for the suit was as In the natural process of producing oil, Aera Energy, LLC ("Aera") produced waste water from its wells in the Belridge Oil Field, in Kern County, California. Produced water is high in chlorides, boron and other dissolved solids. Aera disposed of such produced water by pumping it into two unlined ponds, on lands owned by Aera. Alternative methods of disposal were available to Aera at a higher cost, but Aera chose not to use any of the alternative methods of disposal. Once deposited into the unlined ponds, a small percentage of the waste water evaporated, but the vast majority percolated into the underlying pore space. When the water reached the subsurface pore space, it collected into "mounds" until natural hydrological and gravitational forces moved it beyond the mound. Aera disposed of approximately 2.4 to 2.9 billion barrels of produced water into the Lost Hills and South ponding

basins, adjacent to Starrh's property. evaporative ponds. The ponds would Starrh farms approximately 6,000 acres next to the Belridge Oil Field. Over a period of years, the produced water Aera disposed of in its ponding basins migrated into the pore space underlying Starrh's farm land. The produced water mixed with the native groundwater underlying Starrh's property. Although the native groundwater underlying Starrh's property is naturally salty and of questionable usability, there was no dispute that the native groundwater had been further degraded as a result of the migration of Aera's produced water into the pore space underlying Starrh's property. The parties agreed that the native water underlying Starrh's property was unusable for drinking water or for municipal purposes and for most agricultural crops, but disagreed as to whether the water was usable for any crops and whether the water had any economic value at all.

Starrh's expert valued the underlying groundwater at \$10 million dollars. if it were blended with water from the California aqueduct and used for the irrigation of cotton, almonds and pistachios. Starrh's expert admitted that the groundwater had no value if not used for irrigation of those specific crops. Aera's expert valued the water at \$103,000 to \$121,000, if it could be used for irrigation, but opined that none of Starrh's wells could be used for irrigation purposes over the long run because of the accumulation of salts in the soil.

Starrh presented a plan to restore the underlying groundwater to its native Starrh's restoration plan condition. consisted of drilling between 72 and 111 extraction wells and pumping the groundwater out of the underground aguifers and into a series of lined cover 5,000 of Starrh's 6,000 acres of land. The restoration plan would take between 30 and 60 years, at a cost of During restoration, \$2,269,160,693. farming on the affected lands would need to be suspended entirely. Following restoration, the underlying aguifers would be nearly empty, but Starrh's expert opined that eventually water would return to the aquifers and the water would return to its native condition, which would render it unusable for all but the most salttolerant crops.

The trial court directed a partial verdict and ruled that Aera had committed and was committing a continuing trespass. The case was submitted to a jury on the issue of damages. The jury awarded Starrh \$3.2 million dollars in avoided costs damages and another \$3.8 million dollars for restoration costs.

1. Are Damages Resulting from Migration of Subsurface Waste Water Permanent or Continuing in Nature?

Any trespass may be deemed permanent or continuing in nature, depending on the circumstances. A continuing trespass is one where the circumstances are such that the trespass may be discontinued or abated. In such cases, damages are properly awarded for past and present injuries, but not for future injuries, because the trespass may be discontinued and no future damages incurred. Damages allowed for a continuing trespass include the value of the use of the property, reasonable cost of repair or restoration to the property's original condition, and the costs of recovering possession. order to recover for all harm inflicted by a continuing trespass, the plaintiff

#### continued from page 6

is required to bring periodic successive actions. Continuing trespasses therefore constitute a series of successive injuries, and the statute of limitations begins anew with each injury. contrast, a permanent trespass is one under circumstances that indicate an intention that the trespass cannot be discontinued or abated. Where a trespass is permanent, damages include past, present and future harm in a single action. Generally, the measure of damages is the diminution in value of the injured property. The cause of action accrues once and a 3-year statute of limitations begins to run at the time of the unauthorized entry onto the land.

The courts have developed a number of tests to determine whether a trespass is continuing or permanent in nature. Miller & Starr summarizes the various tests as follows:

"[W]hether (1) the offense activity is currently continuing, which indicates that the nuisance is continuing, (2) the impact of the condition will vary over time, indicating a continuing nuisance, or (3) the nuisance can be abated at any time, in a reasonable manner and for reasonable cost, and is feasible by comparison of the benefits and detriments to be gained by abatement."(8 Miller & Starr, Cal. Real Estate (3d ed. 2000) § 22.39, pp. 148-149.)

In the Starrh case, predictably, Aera contended that the trespass was permanent in nature and barred by the three-year statute of limitations found in California Code of Civil Procedure, section 338. Starrh argued that the trespass was continuing in nature, because alternative methods of disposal of the produced water were available to Aera, which methods Aera chose not to use because of higher disposal costs.

Applying the first two tests summarized by Miller & Starr, as quoted above, the court in Starrh found Aera's actions constituted a continuing trespass because the offensive activity continues and the impact of the subsurface Applying these tests, the court concluded that Aera's ponding practices established a continuing trespass onto Starrh's property. The court found that "the question turns on whether Aera will continue to allow produced water to enter the underlying aquifers. As long as this practice is used, the water table below Starrh's property will continue to be degraded as more and more produced water mixes with the native groundwater." In so ruling, the Starrh court followed the instruction given by the California Supreme Court in Mangini v. Aerojet-General Corp. (1996) 12 Cal.4th 1087, wherein the high court "warned that courts should be cautious not to enlarge the category of permanent nuisance beyond those structures or conditions that truly are permanent. It stressed that, where some means of abatement exist, classifying the trespass or nuisance as permanent discourage remedial efforts (internal citation omitted)."

The Starrh court concluded that "[t] his is especially important as courts attempt to balance the evolving tension interests between economic environmental protection. Classifying this case as a permanent trespass for purposes of the statute of limitations would bar this action completely. It would give Aera the ability to continue environmentally questionable practices with no economic incentive to employ environmentally more protective practices."

Starrh teaches that where an oil operator causes or permits its produced waste water to flow or migrate into the subsurface of adjacent lands not owned or under the control of the operator, the operator will likely be held liable for a continuing trespass, unless the operator actually ceases the disposal method that in causing the migration or persuasively demonstrates that there is no reasonable alternative method of disposal available to the operator.

2. Can Restoration Costs be Awarded When Such Costs are

migration will worsen as time passes. Unreasonable in Light of Competing Applying these tests, the court Interests?

In Starrh, the evidence showed that Aera could stop or alter its disposal practices at any time by changing to other available disposal practices. It was, therefore, impossible to ascertain the full extent of future damages to Starrh's underlying aquifers. Accordingly, the court properly found that the measure of damages could not include any future harm to Starrh's property.

The proper measure of damages in any trespass case is one that will fully compensate the injured party for its damages, but there are many ways to measure damages and the courts will be flexible in selecting that measure that will allow full recovery appropriate to circumstances. Under the common law "the general rule is that if the cost of repairing the injury and restoring the premises to their original condition amounts to less than the diminution in value of the property, such cost is the proper measure of damages; and if the cost of restoration will exceed such diminution in value, then the diminution in value of the property is the proper measure[.] [Citations.]"

Under California Civil Code, section 3334, subdivision (a), when the trespass involves a wrongful occupation of land, the proper measure of damages includes:

"(a) The detriment caused by the wrongful occupation of real property... is deemed to include the value of the use of the property for the time of that wrongful occupation, ... the reasonable cost of repair or restoration of the property to its original condition, and the costs, if any, of recovering the possession." (Italics added.)

The Starrh court held that as used in Section 3334, abatement is simply another word for restoration, and restoration in this case would require that the contamination caused by the migration of produced water be cleaned up. The court held that under Civil Code section 3334, Starrh could

#### continued from page 7

only recover the costs of restoration as a statutory measure of damages if cleaning up the contamination were economically reasonable in light of all the facts, including the expense and time required to perform the restoration along with other competing interests. If the cost of restoration is not reasonable, these costs cannot be recovered under either Civil Code section 3334 or the reasonable-abatement requirement expressed in the common law.

The jury in this case had awarded Starrh \$3.8 million dollars for restoration costs, which amount the court held was not supported by the evidence. Given the \$2.2 Billion dollar restoration plan proposed by Starrh's expert, which would have required the dedication of 5,000 acres of land for a 30-60 year period of time, the evidence of unreasonableness in this case was sufficiently strong that the court of appeal was tempted to conclude that the project is unreasonable as a matter of law. Nevertheless, as the determination as to what is reasonable is a question of fact to be decided by a properly instructed jury the court of appeal remanded the case back to the trial court to instruct the jury that diminution in value may be a legitimate measure of damages where restoration costs are unreasonable.

3. Can Profits Constitute "Benefits Obtained" Within the Meaning of Civil Code section 3334, subd. (b)(1), When Linked to the Trespass?

Civil Code section 3334, subdivision (b)(1), states:

"(b)(1) ... for purposes of subdivision (a), the value of the use of the property shall be the greater of the reasonable rental value of that property or the benefits obtained by the person wrongfully occupying the property by reason of that wrongful occupation." (Italics added.)

The trial court ruled that "benefits obtained" as used in Civil Code section 3334 are costs equal to those avoided by the trespasser and rejected Starrh's argumentthat "benefits obtained" should

also include Aera's profits. Evidence of Aera's profits was excluded. The jury was instructed that the damages were to be measured by the "reasonable value of the expenses that the defendants saved or avoided by reason of the wrongful occupation."

The trial court's jury instruction ignored the 1992 amendment to Civil Code section 3334, wherein the Legislature sought to address a specific problem in how damages were awarded for the wrongful occupation of land. Prior to 1992, damages were limited to the fair rental value of the property. This limitation allowed certain polluters to dump toxic waste on unoccupied land of little value to avoid expensive toxic waste disposal fees. Because the land being polluted was essentially worthless, polluters weighed the potential of a small damage award against the higher costs of proper disposal and chose the more economical method of toxic dumping.

The legislative history of the 1992 amendment to the "statute demonstrates that the Legislature intended eliminate financial incentives for trespass by eradicating the benefit associated with the wrongful use of another's land." Accordingly, the court of appeal in Starrh concluded that the phrase "benefits obtained" has a wider scope than that given to it by the trial court, holding that there is nothing in Civil Code section 3334 or its legislative history to suggest that the phrase "benefits obtained" should be read narrowly and found the intent of the Legislature was to eliminate any economic incentive to trespass as a means of waste disposal.

Given that Aera had admitted that it chose to use the ponding method for its produced water disposal because it was the least expensive alternative and maximized its profits, the court concluded that the term "benefits obtained" may include profits enjoyed by Aera that are directly linked to the wrongful trespass. The case was remanded with instructions that Starrh should be permitted to introduce

also include Aera's profits. Evidence of evidence that some portion of Aera's Aera's profits was excluded. The jury profits is tied to the use of less expensive was instructed that the damages were to means of disposing of produced water.

The measure of damages under section 3334 is the greater of the reasonable rental value or the "benefits obtained." The "benefits obtained" have historically included all the costs avoided by the trespasser. Under the Starrh decision, profits directly linked to a trespass also constitute "benefits obtained" pursuant to Civil Code section 3334. How the counts will distinguish the "costs avoided" from the "profits directly resulting" from the trespass, and whether the "benefits obtained" are now to be calculated by adding the costs avoided together with the profits, remains to be addressed.

<sup>1</sup>Beck Development Company v. Southern Pacific Transportation Company, (1996) 44 Cal.App.4th 1160, 1216.

<sup>2</sup>Calif. Civil Code, sec. 3334.

<sup>3</sup>Baker v. Burbank-Glendale-Pasadena Airport Authority (1985) 30 Cal.3d 862, 869.

<sup>4</sup>Kafka v. Bozio, (1923) 191 Cal. 746, 751.

<sup>5</sup>Starrh, supra, \_\_\_ Cal.App.4th at \_\_,{Slip Opinion at p. 11}.

6Mangini, supra, 12 Cal.4th at p. 1104.

<sup>7</sup>Starrh, supra, \_\_\_ Cal.App.4th at \_\_\_, {Slip Opinion at p. 13}.

<sup>8</sup>Basin Oil Co. v. Baash-Ross Tool Co. (1954) 125 Cal.App.2d 578, 606; Cassinos v. Union Oil Co., (1993) 14 Cal.App.4th 1770, 1785 (each case must be determined on its facts applying rule best suited to determine amount of loss).

<sup>9</sup>Mozzetti v. City of Brisbane (1977) 67 Cal. App.3d 565, 576, italics omitted; see also Harrisonville v. Dickey Clay Co. (1933) 289 U.S. 334, 337-341.

¹ºMangini, supra, 12 Cal.4th at p. 1100; see also Beck, supra, 44 Cal.App.4th at pp. 1221-1222 (reasonableness includes consideration of monetary expense, burden on public, and costs of remediation versus value of land).

<sup>11</sup>Sen. Com. on Judiciary, com. on Assem. Bill No. 2663 (1991-1992 Reg. Sess.) for Mar. 25, 1992, hearing; Sen. Rules Comm., Off. of Sen. Floor Analyses, 3d reading analysis of Sen. Bill No. 2663 (1991-1992 Reg. Sess.) as amended July 1, 1992.

<sup>12</sup>Watson Land Co. v. Shell Oil Co. (2005) 130 Cal.App.4th 69, 79.

# MAVERICK PETROLEUM, INC.

Complete Oil and Gas Land Services 1401 Commercial Way, Suite 200 Bakersfield, California 93309 Phone: (661) 328-5530

Fax: (661) 328-5535 glp@mavpetinc.com

Lease Availability Checks
Title Searching
Title Curative
Drill Site Title Reports
Lease Negotiations
Surface Damage Negotiations

In House Support

Division Orders
Due Diligence Work
Acquisitions and Divestitures
Right-of-Way Acquisitions
Complete 3-D Seismic Services
Well Permitting
Digital Mapping

## Gary L. Plotner, RLP

President
BAPL President 1985-86 & 2003-04
AAPL Director 1988-90 & 2002-03 & 2004-07

Serving the Western United States since 1983

### **Bright and Brown**

Oil, Gas and Environmental Lawyers

•

550 North Brand Boulevard, Suite 2100 Glendale, California 91203

818-243-2121 213-489-1414 Telecopy 818-243-3225

- Exploration and production contracts
- ♦ Energy litigation
- ♦ Mineral title review and opinions
- ♦ Gas purchase and sales transactions
- ♦ Environmental counseling and litigation
- ♦ Land use permitting and related environmental review
- Utility matters
- ♦ DOG proceedings
- Related counseling and litigation
- Property tax appeals and litigation

# MINERAL RIGHTS AVAILABLE FOR LEASING

TMC owns over 400,000 mineral acres through out the states of California, Oklahoma, New Mexico & North Dakota.

TMC understands the oil and gas business and encourages exploration of our mineral interests.

TMC monitors industry cycles and values the importance of investments in energy.

Terry L. Allred, Vice President

Transamerica Minerals Company 1899 Western Avenue, Suite 330 Torrance, CA 90501

Member: AAPL, BAPL, LAAPL, CIPA, NARO

Please contact us for more information and a free copy of our "Oil and Gas Country
Available Lands Report". Or you may email us at:

terry.allred@transamerica.com

# OIL, GAS, MINERAL AND GEOTHERMAL LAND CONSULTING

Title Searching, Examining, & Curative

Title / Ownership Summaries

Drillsite Titles / Reports

Land Availability Checks

Lease Negotiations

**Division Orders** 

Pooling Agreements & other Land Contracts

Farmin / Farmout / Joint Ventures

Permitting / Regulatory Compliance

Due Diligence Studies

Resource Management

Acquisitions & Divestitures

Asset Identification, Scheduling and Marketing

Revenue Analysis & Recovery of Lost Revenue

**Environmental Studies** 

Rights-of-Way / Easements

Federal and State Land Record Searches

#### PETRU CORPORATION

A FULL SERVICE LAND COMPANY

#### TIMOTHY B. TRUWE, PRESIDENT

Registered Professional Landman Registered Environmental Assessor



#### Serving the needs of the

Title, Resource, Environmental, Mining and Right-of-Way Industries; Legal, Engineering and Land Planning Professions; Government; Lending and Trust Institutions; Water Purveyors; Utilities; Real Estate Companies; and the Individual and Business Communities

# 250 S. Hallock Drive, Suite 100 Santa Paula, CA 93060-9646

(805) 933-1389 Voice (805) 933-1380 Fax

Visit us at: http://www.PetruCorporation.com

or send e-mail to: Petru@PetruCorporation.com

# TITLE INDUSTRY, REAL ESTATE AND ENGINEERING SERVICES

Title Searching, Examining & Write-Ups

Title Engineering / Property Legal Descriptions

Property Inspections

Title Research / Consulting

Special Title Projects

Locate / Plot Easements

Property Ownership / Rights

#### OTHER SERVICES

Land / Lease Administration

**Expert Witness** 

Right-of-Way Consulting

Natural Resource Consulting

**Environmental Studies** 

Administrative & Management

Property / Historical Use

Investigations
Asset Verification & Management

Regulatory Compliance

Subdivision / Parcel Map

Compliance

Water Rights

Trust Asset Management

Assistance

Map Drafting / AutoCad



### VENOCO, INC. IS PROUD TO SPONSOR THE

# Los Angeles Association of Professional Landmen

Pat Moran, Land Manager Vanita Menapace, Associate Landman Craig Blancett, Senior Landman Mark Hooper, Land Mapping (Contract) Patricia Pinkerton, Landman (Contract) Harry Harper, (Retired, Land Consultant)

Venoco is an independent energy company primarily engaged in the acquisition, exploitation and development of oil and natural gas properties, with offices in California, Denver, CO (Headquarters) and Houston, TX. Venoco operates three offshore platforms in the Santa Barbara Channel, two onshore properties in Southern California, approximately 160 natural gas wells in Northern California and various properties in Southeast Texas.

370 17th Street, Suite 2950, Denver, CO 98020

6267 Carpinteria Avenue, Carpinteria, CA 93013