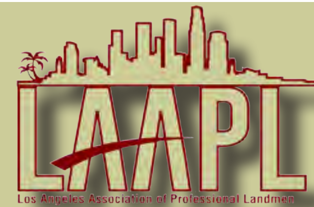
The Override

Every Landman Wants One!

Volume IX, Issue VII | November, 2015



Presidents Message

Ernest Guadiana, Esq., President
Elkins Kalt Weintraub Reuben Gartside LLP

The end of the year is always a good time for reflection. This past year has been a whirlwind for the both the oil and gas industry as well as many of our chapter members, myself included. Many of us have transitioned into new positions, whether wanted or not, and are still coming to terms with what lies ahead. I continue to hear the sage advice of those industry experts who have been through these cycles in the past, that history will repeat itself and the oil and gas industry will flourish once again. In the meantime, we have had our mettle tested, and we have shown what we are made of.

Next year will be a year of change. The United States will elect its 45th President, more regulations will be adopted here in California for us all to work through, and hopefully oil prices will recover.

In the meantime, I wish everyone and their families a wonderful holiday season. Here's to welcoming 2016. See you all then.

LAAPL and LABGS Hold Annual Joint Luncheon

The Los Angeles Association of Professional Landmen and the Los Angeles Basin Geological Society will hold its joint luncheon in January 2016. Please note the date of the luncheon is the fourth Thursday of January and the location is at the Grand at Willow Street Conference Center.

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Meeting Luncheon Speaker

"Put Down That Phone-How Do You Want to Get it Said"

Jack Quirk, Esq., received his law degree in 1979 from Loyola University, Los Angeles, and has been a partner in Bright and Brown since 1986. Mr. Quirk has represented both mineral lessees and lessors in their negotiation and performance of oil and gas leases and other agreements unique to the exploration and development phases of the oil and gas industry. He is considered one of the State's leading practitioners in the area of oil and gas title, and in that regard has represented title companies in connection with mineral title issues and disputes, and has represented landowner developers in connection with their acquisition and development of currently or previously productive oil and gas properties for other uses.

Opinionated Corner

Joe Munsey, RPL
Southern California Gas Company
Director
Publications/Newsletter Co-Chair

In light of the tragic events which took place on Friday in France, we deleted our usual political bent and sought to take refuge in the spirit of the on-coming holidays. If there was ever a situation where the biblical phrase, "Peace on earth and goodwill toward men," was needed, it sure was today. Our prayers go out to the families in France who lost their loved ones.

As of the date and time of this writing, you have 22.0625 shopping days left for Hanukkah, and nine hundred seventy three and ½ shopping hours for Christmas. Of course, the shopping days or hours are plus/minus depending upon the time zone you live in and when the local merchants close the doors and call it a day. If you are a professional who handles division orders, division opinions, or the like, you should be able to figure exactly what time I made the calculations. Only one hint will be given, we live in the Paradise Standard Time Zone.

However, before Hanukkah and Christmas comes around we have Thanksgiving to prepare for and then settle in for the rest of the holiday season.

Before we leave you for the remainder of the year, and we often repeat this, support our troops and keep them in your prayers. Enjoy your Thanksgiving and be thankful for this year's blessings. Bask in the joy of Christmas, or Hanukkah, and spread peace on earth towards all. God Bless America!

Chapter Board Meetings

The Board of Director's meeting is usually held right after the speaker finishes their turn on the dais. At the last luncheon the transition of the new board members and the length of the speaker's presentation ran over the allotted time for the luncheon and meeting so the board meeting was unavoidably canceled.

The board did convene via email to vote on changing the November meeting from Thursday to Tuesday and it was unanimously accepted The luncheon date was subsequently changed and the membership notified forthwith.

The next board meeting is scheduled to be held after the luncheon on Tuesday, November 17, 2015. Members are invited to stay and watch their board in action. Chapter President Ernest Guadiana will lead that meeting.

Our Honorable Guests

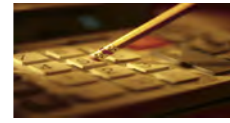
September's luncheon was another successful LAAPL Chapter luncheon meeting held at the Long Beach Petroleum Club. Our guests of honor who attended:

Jonathan Jones, Independent
In-House Contract Landman

E. Ryan Stephensen, Esq.
Day Carter Murphy LLP

Dan Hollis – Vice President,
Marketing and Technology
Nodal Seismic, Inc.

Richard "Dick" Earnest, President
Petroleum Landowners Corporation, Ltd.



Treasurer's Report

As of 4/1/2009, the LAAPL account showed a balance of	$24,301.67
Deposits	$2,617.00
Total Checks, Withdrawals, Transfers	$235.30
Balance as of 11/03/2015	**$26,683.37**
Merrill Lynch Money Account shows a total	$10,929.27

New Members and Transfers

Cambria Rivard, JD
Membership Chair
California Resources Corporation

Welcome! As a Los Angeles Association of Professional Landmen member, you serve to further the education and broaden the scope of the petroleum landman and to promote effective communication between its members, government, community and industry on energy-related issues.

New Members

Robert "Hunter" Latham
Signal Hill Petroleum
2633 Cherry Ave
Signal Hill, CA 90755
hlatham@shpi.net

Scheduled LAAPL Luncheon Topics and Dates

November 17, 2015
Jack Quirk, Esq.
Bright & Brown

"Put Down That Phone--How Do You Want to Get it Said?

January 28, 2016
[4TH Thursday]

Annual Joint Meeting with
Los Angeles Basin Geological Society

March 17, 2016

TBD

May 19, 2016

TBD

Officer Elections

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Lawyers' Joke of the Month

Jack Quirk, Esq.
Bright and Brown

Walking On Grass

The room was full of pregnant women with their husbands.

The instructor said, "Ladies, remember that exercise is very good for you."

He went on: "Walking is especially beneficial. It's relaxing and it strengthens the pelvic muscles and will make delivery that much easier."

"Just pace yourself, make plenty of stops and try to stay on a soft surface like grass."

"And, gentlemen, remember -- you're in this together. It wouldn't hurt you to go walking with her. In fact, that shared experience would be good for you both."

The room suddenly became very quiet as the men absorbed this information.

After a few moments a man at the back of the room, slowly raised his hand.

"Yes?" said the Instructor.

"I was just wondering if it would be all right if she carries a golf bag while we walk?"

United States Department of Interior [BLM] Seminar

BLM is planning its seventh day-long seminar for all Federal Operators on Wednesday, February 3, 2016, at Aera Energy's Bakersfield Office located at 10000 Ming Ave. The purpose of the seminar is to provide an update for federal operators on their responsibilities on federal leases and information on permitting, leasing, assignments/transfers, bonding, field operations, commingling, environmental and idle well requirements and many other items of importance. Please click here to link to the brochure at the end of the newsletter for further information and cost.

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Case of the Month - Right of Way

What Happens When the United States Condemns a Street, Road or Public Highway?

Katrina Diaz, Esq., Associate
Law Firm of Nossaman LLP

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Generally when the United States takes property pursuant to its eminent domain authority, "just compensation" is based on the market value of the property on the date of the taking. However, when acquiring a street, road or public highway, the public entity whose property is taken is entitled to compensation "only to the extent that, as a result of such taking, it is compelled to construct a substitute highway." (Washington v. United States, 214 F.2d 33, 39 (9th Cir. 1954), emphasis in original.) Where it is unnecessary to replace or provide a substitute, the public entity is only entitled to nominal compensation. The question of whether a replacement facility is "reasonably necessary" is a question for the Court. However, the Court of Appeal for the Ninth Circuit has yet to address the question of – where only a portion of property is taken – whether compensation for the replacement facility is the sole basis of compensation or whether a condemnee could also be entitled to severance damages.

In United States of America v. 1.41 Acres, No. C 14-01781, 2015 U.S. Dist. LEXIS 107484 (N.D. Cal. August 14, 2015), the United States condemned McKay Avenue in Alameda County from the State of California. The United States brought a motion for summary judgment on the issue of just compensation, claiming that defendants the State of California, acting by and through the Department of Public Works, and East Bay Regional Park District were not entitled to severance damages but only to nominal damages. The Court denied the motion for summary judgment as to both issues.

Factual Background

The United States originally owned McKay Avenue in fee, subject to several easements for the benefit of nearby property owners. In 1961, the United States transferred ownership of McKay Avenue, along with over 90 acres of land, to the State of California, subject to the recorded easements and an easement in favor of the United States for "non-exclusive street use." The State of California developed the site into a state-owned beach and park, which the Park District operates. McKay Avenue provides primary access to the state beach, along with 70 parking spaces for public use.

The United States condemned McKay Avenue in fee, subject to "any exiting rights of ingress and egress benefiting adjoining property," and subject to "a non-exclusive easement for pedestrian and vehicular ingress and egress" in favor of defendants.

Substitute Facility

In support of its summary judgment motion, the United States argued that no substitute facility is "reasonably necessary" because the United States reserved sufficient rights to defendants and surrounding landowners to obviate any need for a substitute facility. The Court rejected this argument because the reservation of easement in favor of defendants was not for "street use" but rather for "ingress and egress," and the parking rights derived from the State of California's prior ownership of McKay Avenue.

The United States also argued that the possibility that it may prevent defendants from using McKay Avenue for parking purposes in the future is too speculative to find that construction of a substitute facility is "reasonably necessary." Defendants countered that a condemnee is entitled to measure just compensation based on the "most injurious use" of the condemned property. The Court agreed and found that it is appropriate to consider the need for a substitute facility based on the rights actually condemned, rather than based on an unreliable assumption that the current permissive use will exist in perpetuity. The court noted that this analysis could result in a windfall to defendants – who potentially could continue their use of the parking; however, it could conversely result in a windfall to the United States, which "easily could have been avoided by reserving a parking easement for the benefit of defendants." The Court denied the motion for summary judgment.

Severance Damages

In addition to the compensation for McKay Avenue itself, defendants contend that they are also entitled to severance damages for the diminution in value of the state beach as a result of the taking. The United States argued that the replacement facility analysis is meant to serve as the exclusive measure of compensation.

Right of Way
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TELL THE STATUS QUO TO WATCH ITS BACK.

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Right of Way
continued from page 6

In opposition, the United States cited to two Supreme Court cases where the Court held that just compensation for the condemnation of a public facility where there is no market is the actual cost of constructing a necessary substitute facility. The Court rejected the United States' argument that these cases also stand for the proposition that the cost of a substitute facility is the only measure of damages, even where other damages result beyond the loss of a facility.

One District Court in the Ninth Circuit has concluded that the state was entitled to compensation for costs incurred in excess of the costs of constructing a substitute facility.

Here, the Court held that a jury could find defendants have suffered harm to their property interest beyond what can be accounted for by the construction of a substitute for McKay Avenue. Therefore, the Court held that defendants are entitled to present their case to the jury for compensation for both (1) the loss of the facility of McKay Avenue itself, and (2) the diminution in value of the state beach as a result of the condemnation.

Takeaway

For those public agencies whose street, road or highway is condemned by the United States, the law is not firm on whether the agency is entitled to both (1) compensation for a "reasonably necessary" replacement facility, and (2) other monetary damages. However, there are strong arguments discussed in the recent District Court case to support an argument that – where the street, road or highway is part of a larger parcel –just compensation includes both the cost of the replacement facility and severance damages.

Ms. Diaz can be reached at kdiaz@nossaman.com.

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Legislative Update

by Mike Flores & Olman Valverde, Esq.
Luna & Glushon

There is not a lot of activity on the legislative front on the state level as the State Assembly and Senate are on recess until January.

Looking Ahead

The two main California oil & gas advocacy organizations, WSPA and CIPA, had tremendous success during the recent legislative session stopping bills which would have hurt our industry. However, as the next legislative session looms at the beginning of the year, there are two bills which bear close watching, those bills are SB 32 and SB 248. SB 32 will codify long term goals outlined in AB 32, the California Global Warming Solutions Act of 2006, by calling for the California Air Resources Board (CARB) to approve a statewide greenhouse gas emissions (GHG) limits that are equivalent to 40% below the 1990 level to be achieved by 2030 and 80% below the 1990 level to be achieved by 2050. The other bill to watch, SB 248, would revise the definition of an oil sump to protect groundwater, surface water, air quality and wildlife resources starting in 2017. It would also call for no oil sumps for disposal purposes of water or waste waters attendant to oil and gas field exploration, development and production. According to CIPA, the passage of this bill will put many producers out of business.

Congressional Bill Would Help Small Producers

Congress is considering Senate Bill 948 (Sen. Inhofe,R-OK)) which would make permanent the suspension of the taxable net income limitation on percentage depletion for oil and natural gas produced by marginal properties. There are more than 600,000 marginal wells and millions of royalty owners who would benefit for the passage of the bill.

USGS Report Downgrades Monterey Shale

A U.S. Geological Survey downgraded the potential of Monterey Shale's oil deposits. In 2011, studies reported that there were 13.7 billion barrels of recoverable oil, but the new study states that there are only 21 million barrels of recoverable oil. The USGS report looked only at the San Joaquin Basin, one of four basins that make up the 1,750-square-mile Monterey Shale formation. Upcoming USGS reports will estimate the recoverable petroleum in the other three basins.

BLM to Implement Adjusted Drilling Permit Fee on Oct. 1

On October 1, 2015, the Bureau of Land Management (BLM) implemented an updated fee amount for the processing of Applications for Permit to Drill (APDs). The updated APD fee of $9,500 was set by Congress in the Fiscal Year 2015 National Defense Authorization Act, and replaces the $6,500 processing fee that had been in place previously. The new non-refundable filing fee of $9,500 is to be collected upon submission of an APD by an oil and gas operator, and is required whether or not an APD is subsequently approved. To carry out this statutory requirement, the BLM has issued guidance to its field offices regarding the collection and handling of APD fees in the current fiscal year. The new guidance largely tracks prior years guidance with respect to collection and handling policies – e.g., when the fee is required; when the BLM will begin processing the APD; and acceptable forms of payment. The purpose of the new guidance is to implement the new fee.

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Determining the Ownership of Landfill Gas

By **James E. Goddard, Esq**., *Assistant General Counsel, Enterprise Products, Inc.*
Patrick Beaton, Partner., *Locke Lord LLP*

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The process of collecting methane from landfills is gaining momentum throughout the country. The question remains: Who really owns the gas?

Imagine the following situation: You just completed the installation of dozens of methane collection wells and a state-of-the-art gas collection and processing system on your landfill, and are now ready to sell landfill gas. Then you receive a "cease-and-desist'' letter from an oil and gas company claiming to have an oil and gas lease on the property. The oil and gas company asserts that the oil and gas lease has granted it title to all of the gas in, on or under the landfill, and that which may be produced from wells on the landfill property. The company alleges it is entitled to all of the landfill gas produced from the landfill. This mineral lessee demands either a hefty royalty on all landfill gas produced or, worse yet, that it takes over operations of the collection wells pursuant to its right to operate under the oil and gas lease.

It may surprise many that there is very little legal authority addressing the issue of who actually owns the methane gas produced from landfills. The purpose of this article is to discuss the scant authority on the topic and to address analogous situations that lead to the only logical conclusion on the issue: the owner/operator of the landfill, not the mineral owner or its lessee, has title to and the right to produce the landfill gas. Because Texas is the top-producing state of both oil and gas and a large number of landfills identified by the U.S. EPA's Landfill Methane Outreach Program are located in Texas, this article refers mainly to Texas legal principles, but many of these principles are equally applicable to a number of states that recognize the "split estate" concept of the separate ownership of the surface estate and mineral estate.

A number of factors militate in favor of the conclusion that the landfill owner is the owner of the landfill gas. First, while the mineral estate includes the "oil, gas and minerals in, on and under, or that may be produced from" the land, it should not be considered to include gases that were never part of a geological reservoir associated with the land, but instead are the byproduct of a commercial use of the surface. Second, by way of analogy to cases determining the ownership of re-injected gases, the landfill gas is an "extraneous" rather than "native" gas, and thus its extraction should not be considered a diminution of the mineral estate. Finally, from an economic incentive viewpoint, the policy concerns stated in certain legislation that encourage the capture and use of landfill gas can realistically only be realized by recognizing the owner of the landfill as the owner of the landfill gas.

Defining Landfill Gas

When organic-rich solid wastes are deposited in a landfill and left to decompose outside of the presence of oxygen, the matter will be partially transformed by microorganisms into a mixture of gases. One of which, methane, is also the chief component of natural gas. The organic material is segregated from the lower layers of the soil by a liner, which helps prevent the migration of various contaminants. The gas, which would otherwise likely be vented or flared for safety reasons, is generally collected by a series of wells drilled into the landfill. It is then compressed, dried and filtered and either used in a low-Btu gas turbine electric generator or further processed and used to fuel furnaces and boilers.

Surface Estate Versus Mineral Estate

For the purposes of this article, we assume the landfill owner/operator is either the owner or lessee of the surface of the land on which the site is located, but not the owner of the minerals of such land. Purchasing or gaining control of the mineral estate would eliminate the problem, but this is not always an option for the operator of a landfill. Leaving aside for the moment who owns the land fill gas, the owner of the minerals does have certain rights to access the surface in order to extract its minerals, which is another reason the landfill owner should seek to control the mineral estate as well as the surface. An in-depth discussion of the "dominance" of the mineral estate is beyond the scope of this article.

Many states recognize the mineral estate of a particular tract of land may be owned by someone other than the owner of the surface. In states such as Texas, the mineral estate is a corporeal, or possessory; interest in real property. Because a

Oil & Gas
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Oil & Gas
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mineral estate is a corporeal interest in the real property of the minerals “in place” on the land, it should not include gases or any other minerals that are created as a byproduct of some use of the surface estate at some point after the severance of the estate. In the context of a bankruptcy case, one federal court in Illinois Goddard opined that is was "very unlikely" that a contract for the extraction of landfill gas from a land fill would be viewed as a mineral lease under Illinois law, in part because the gas was "a hazardous byproduct of a commercial activity," unlike the oil and natural gas contained in the land that is normally the subject of a lease.

The mineral estate owner or its lessee may argue that since landfill gas has a high concentration of methane (usually 45 percent to 55 percent), which is the primary component of natural gas, and since the landfill gas is "produced" from wells on the "land" (albeit out of the lined portions of the landfill, segregated from the other layers of soil), it should be part of the mineral estate. However, such an argument ignores an important difference between landfill gas and natural gas, in addition to the obvious fact that natural gas contains approximately twice as much methane as landfill gas (In re: Resource Technology Corp., 254 B.R 215, 225 n.8 (N.D. Ill.2000)).

Unlike "native" natural gas located in formations that are sometimes thousands of feet below the natural surface of the earth, landfill gas was never "in place" at the time of the mineral severance; it never existed in a geological reservoir of naturally-occurring hydrocarbons. In fact, landfill gas was never located under the surface of the earth. It is created above the landfill liner, which was placed on top of the then-existing surface of the land when the landfill was first formed. Instead landfill gas is created within the landfill as a "hazardous byproduct" of commercial activities carried out by the surface estate owner running the landfill. Carried to its logical conclusion, an argument that the landfill gas belongs to the mineral estate would require that almost any product produced from an activity on the surface that created a "mineral" in the plain and ordinary meaning of the word, that had not already been found to belong to the surface estate, should belong to the mineral estate.

For example, if a waste disposal company were to solve the alchemists' puzzle and discover a way to produce gold out of garbage, the gold would, under this argument, belong to the mineral estate-clearly not the just and equitable result. Yet, except for a difference in the value of the mineral at issue, the extraction of landfill gas is very much the same.

Additionally, allowing the mineral estate to own the landfill gas would essentially destroy the utility of the use of the surface as a landfill, which is not normally contemplated in the severance of a mineral estate. To allow the mineral owners access to the landfill to exploit the landfill gas would dearly destroy the utility of the surface for the landfill owner, not just of a preexisting use of the surface, but for a use that in itself creates the very gas for which the mineral estate owner would be drilling.

Native Gas Versus Extracted Gas

By way of analogy to case law interpreting the ownership interest of re-injected natural gas, landfill gas should not belong to the mineral estate because it was never part of the "native gas" in the reservoir. Case law in Texas has developed a distinction between "native" natural gas in the reservoir and "extraneous" natural gas produced elsewhere, then injected into a depleted reservoir or other non-porous geological structure (Lone Star Gas Co. v. Murchison, 353 S.W2d 870 at 879). Once natural gas has been produced from a reservoir the first time, it changes from real property to personal property. Therefore, the owner of the produced gas does not lose title to it by storing it in a well-defined storage facility, even if such a facility is a depleted oil-and-gas reservoir. The producer of such natural gas does not owe royalties to the gas royalty interest owner on gas that had been produced elsewhere, injected into a reservoir for storage, and then extracted.

Similarly, landfill gas cannot be considered "native" gas because it does not come from a geographic reservoir on or under the land, nor could it have been captured by drilling into any preexisting reservoir. Thus, even though it is arguable that landfill gas has been "created" on the same tract of land, it should be considered "extraneous" to any gas that might be found in the reservoirs on the land, which belongs to the mineral estate. In that sense, landfill gas, presumably not having been injected into a reservoir, should be even less likely than "re-injected gas" to be considered part of the mineral estate, because there was no commingling of the gas from the different estates. Therefore, landfill gas, being "extraneous" to whatever gas exists in the mineral estate, is outside of the contemplated grant or reservation of minerals that created the mineral estate, and the landfill existing guidelines, rather than financing the construction of collection systems.

Statutes and Policy

Statutes and regulations governing the safe venting and flaring of landfill gas are typically aimed at the owners and operators of the landfill, and do not mention the owner of the mineral estate. This implies that the state considers the owner of the

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landfill (presumably the surface owner or licensee) to be the owner of the gas, rather than the mineral estate owner or his or her lessee. It would appear to be somewhat inequitable that, after not having shared in the environmental, health and safety regulatory burdens that have been traditionally placed upon landfill operators in regards to landfill gas, and the costs to install the landfill gas collection system, the mineral estate owner should be considered the owner of landfill gas now that it has been shown to be commercially valuable.

Explicit policy statements in a Texas statute concerning the harnessing of landfill gas can realistically only be realized by recognizing the landfill owner/operator as the owner of the landfill gas. In the Texas Utilities Code, the legislature clearly stated its intent "that by Jan. 1 ,2015, an additional 5,000 megawatts of generating capacity from renewable energy technologies will have been installed in this state (Texas Utilities Code Annotated § 39.904(a), (d) (Vernon 2002))."The term "renewable energy technologies" is defined to include landfill gas production and utilization in generating electricity.

The Texas legislature's intent to develop landfill gas, however, clearly depends upon the involvement of the landfill owners and operators. It would be unlikely that a landfill owner would invest money and undertake other risks for the extraction of landfill gas if it did not expect to maintain an ownership interest in the landfill gas once it was "produced" If the landfill owner or operator knew it would receive no revenue from collecting the landfill gas, landfill owners and operators would be economically better off flaring the gas in accordance with existing guidelines, rather than financing the construction of collection systems.

When lawmakers make an explicit declaration of public policy in a statute, the statute at issue should be interpreted to give effect to such policy. Therefore, the economic reality that the landfill owner must be considered the owner of the landfill gas cannot be ignored in the interpretation of these statutes.

As the country struggles to develop new sources of renewable energy and reduce its reliance on foreign oil, the potential of landfill gas must be realized. For this to happen, the question of who owns the landfill gas has to be settled in favor of the landfill operator. As this article has discussed, this is the only logical conclusion that can be reached.

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Guest Article

Twin Peaks of Global Warming Are Twin Lies

By Paul Driessen and Tom Tamarkin

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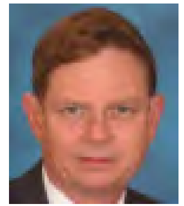
Originally publish on June 14, 2015 in the Natural Gas Now Guest Blogger



Supposedly record-high temperature and carbon dioxide levels supposedly bring record chaos but the global warming scam is fading fast as the facts betray it.

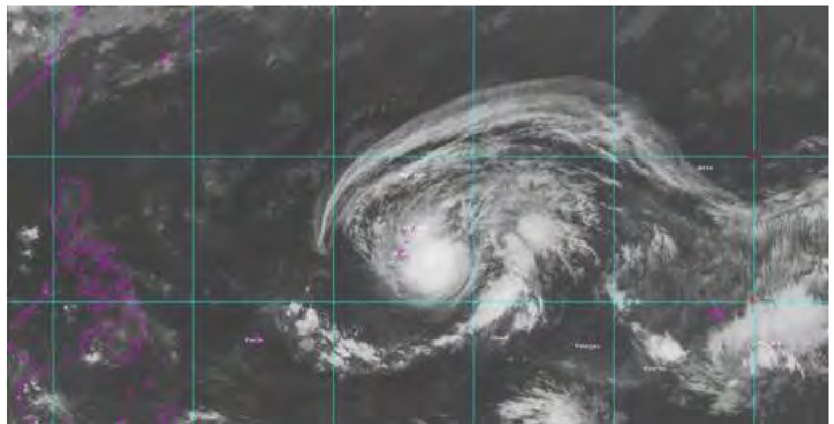
A recent NOAA article is just what Doctor Doom ordered. It claims the 18-year "hiatus" in rising planetary temperatures (global warming) isn't really happening. (The "pause" followed a 20-year modest temperature increase, which followed a prolonged cooling period.) The article states:

"Here we present an updated global surface temperature analysis that reveals that global trends are higher than reported by the IPCC, especially in recent decades, and that the central estimate for the rate of warming during the first 15 years of the 21st century is at least as great as the last half of the 20th century. These results do not support the notion of a 'slowdown' in the increase of global surface temperature."

Global Warming Junk Science

Published in Science magazine to ensure extensive news coverage before critics could expose its flaws, the report was indeed featured prominently in the national print, television, radio and electronic media.

It's part of the twin peaks thesis: Peaking carbon dioxide levels will cause peaking temperatures, which will lead to catastrophic climate and weather. Unfortunately for alarmists, the chaos and not even the global warming are happening.



No category 3-5 hurricane has hit the United States for a record 9-1/2 years. Tornadoes, droughts, polar bears, polar ice, sea levels and wildfires are all in line with (or improvements on) historic patterns and trends. The Sahel is green again, thanks to that extra CO_2. And the newly invented disasters they want to attribute to fossil fuel-driven climate change – allergies, asthma, Islamic State and Boko Haram – don't even pass the laugh test.

The NOAA report appears to have been another salvo in the White House's attempt to regain the offensive, ahead of the Heartland Institute's Tenth International Climate Conference. However, a growing number of prominent analysts have uncovered serious biases, errors and questions in the report.

Climatologists Pat Michaels, Dick Lindzen, and Chip Knappenberger point out that the NOAA team adjusted sea-surface temperature (SST) data from buoys upwardby 0.12 degrees Celsius, to make them "homogenous" with lengthier records from engine intake systems in ships. However, engine intake data are "clearly contaminated by heat conduction" from the ships, and the data were never intended for scientific use – whereas the global buoy network was designed for environmental monitoring.

So, why not adjust the ship data downward, to "homogenize" them with buoy data, and account for the contamination? Perhaps because, as Georgia Tech climatologist Judith Curry observed, this latest NOAA analysis "will be regarded as politically useful for the Obama administration."

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Right of Way
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However, it will not be "particularly useful" for improving our understanding of what is happening in Earth's climate system.

Dr. Curry and the previously mentioned scientists also note that the buoy network has covered an increasingly wide area over the past couple decades, collecting high quality data. So again, why did NOAA resort to shipboard data? The ARGO buoys and satellite network (both omitted in this new analysis) do not show a warming trend – whereas the NOAA methodology injects a clear warming trend.

Canadian economist and statistical expert Ross McKitrick also analyzed the NOAA approach. He concluded \ it wipes out the global warming hiatus that eight other studies have found. Its adjustments to SST records for 1998-2000 had an especially large effect, he says. Dr. McKitrick also recaps the problems scientists have with trying to create consistent temperature records from the multiple measurement methods employed over the centuries.

Theologian, ethicist and climate analyst Calvin Beisner provides an excellent summary of all these and other critiques of the deceptive NOAA paper.

It is also important to note that, in reality, NOAA is quibbling about hundredths of a degree – essentially the margin of error. On that basis it rejects multiple studies that found planetary warming has stopped.

Britain's Global Warming Policy Forum succinctly concludes: "This is a highly speculative and slight paper that produces a statistically marginal result by cherry-picking time intervals, resulting in a global temperature graph that is at odds with those produced by the UK Met Office and NASA," as well as by other exhaustive data monitoring reports over the past four decades.

The Global Warming Bottom Line

The vitally important bottom line is simple.

The central issue in this ongoing debate is not whether Planet Earth is warming. The issue is: How much is it warming? How much of the warming and other climate changes are due to mankind's use of fossil fuels and emission of greenhouse gases – and how much are due to the same powerful natural forces that have driven climate and weather fluctuations throughout Earth and human history? And will any changes be short-term or long-term … and good, bad, neutral or catastrophic?

Those Melting Ice Caps!

At this time, there is no scientific evidence – based on actual observations and measurements of temperatures and weather events – that humans are altering the climate to a significant or dangerous degree. Computer models, political statements and hypothetical cataclysms cannot and must not substitute for that absence of actual evidence, especially when the consequences would be so dire for so many. In fact, even the "record high" global average temperature of 2014 was

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concocted and a margin of error.

Simply put, the danger is not climate change – which will always be with us. The danger is energy restrictions imposed in the name of controlling Earth's perpetually fickle climate.

Moreover, the IPCC's top climate official says the UN's unelected bureaucrats are undertaking "probably the most difficult task we have ever given ourselves, which is to intentionally transform the [global capitalist] economic development model." Another IPCC director says, "Climate policy has almost nothing to do anymore with environmental protection. The next world climate summit is actually an economy summit, during which the distribution of the world's resources will be negotiated."

That summit could give government officials and environmental activists the power to eliminate fossil fuels, control businesses and entire economies, and tell families what living standards they will be permitted to enjoy – with no accountability for the damage that will result from their actions.

For developed nations, surrendering to the climate crisis industry would result in fossil fuel restrictions that kill jobs, reduce living standards, health, welfare and life spans – and put ideologically driven government bureaucrats in control of everything people make, grow, ship, eat and do.

For poor countries, implementing policies to protect energy-deprived masses from computer-generated manmade climate disasters decades from now would perpetuate poverty and diseases that kill them tomorrow. Denying people their basic rights to have affordable, reliable energy, rise up out of poverty, and enjoy modern technologies and living standards would be immoral – a crime against humanity.

Countries, communities, companies and citizens need to challenge and resist these immoral, harmful, tyrannical, lethal and racist EPA, IPCC, UN and EU decrees. Otherwise, the steady technological, economic, health and human progress of the past 150 years will come to a painful, grinding halt –sacrificed in the name of an illusory and fabricated climate crisis.

Paul Driessen is senior policy analyst for the Committee For A Constructive Tomorrow (www.CFACT.org), author of "Eco-Imperialism: Green Power – Black Death," and coauthor of "Cracking Big Green: Saving the World from the Save-the-Earth Money Machine."

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To: All Federal Oil and Gas Operators

Re: Seminar for Federal Oil and Gas Operators

BLM is planning its seventh daylong seminar for all Federal Operators on Thursday, February 4, 2016, at Aera Energy's Bakersfield Office located at 10000 Ming Ave. The purpose of the seminar is to provide an update for federal operators on their responsibilities on federal leases and information on permitting, leasing, assignments/transfers, bonding, field operations, commingling, environmental and idle well requirements and many other items of importance.

Cost of this all day seminar will be $50 per person, which includes all handouts, snacks, and lunch. The seminar begins at 7:45 a.m. and will be finished by 4:00 p.m., after which BLM staff will remain to discuss and answer questions one-on-one in a more informal setting. To confirm your reservation, please send your check with a list of those who will attend by January 8, 2016.

Make checks payable to USDI- BLM and mail to:

Attn: Wanda Oats
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Please include your name, phone number, and "BLM Operator Seminar" on your check. Also, please include email contact information for all those who are registering. This will enable us to provide more detailed last minute updates in a timely fashion.

If you wish to register after January 8, please call Ms. Wanda Oats at (661) 391-6132 to see if there is space remaining for late registration. For questions, please call Jeff Prude at (661) 391-6140 or John Hodge at (661) 391-6020.

This program will benefit everyone who operates on BLM land or is involved in any way in the permit process, including engineers, landmen, drilling personnel, production accountants, permit technicians, field technicians, contractors, and surface owners. BLM staff will be present to answer questions during breaks and afterwards. We strongly encourage all operators and contractors who work on BLM projects to attend. A draft agenda is attached – a final agenda will follow.

Seating may be limited, so register early. If there are others in your company who you think would benefit from this seminar, please pass this invitation on. We hope to see you there!

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Seminar for Federal Oil and Gas Operators
Presented by the
Bureau of Land Management at
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10000 Ming Avenue
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8:15 a.m. - 3:45 p.m., February 4, 2016
Draft Agenda

	Start
Registration	7:45-8:15 a.m.
Welcome & Housekeeping	8:30
Overview	8:40
Electronic Permitting	8:50
Application Processing	
APDs	9:00
Sundries	9:20
Environmental Requirements (NEW)	9:35
Break	10:00
Commingling (NEW)	10:15
Venting and Flaring (NEW)	10:25
Idle/ Orphan Well program	10:35
Inspection & Enforcement	10:45
Compliance (WOs & INCs)	10:55
Spill report	11:05
Onshore Orders	11:25
Operations	11:35
PARs	
Safety & H2S	
Site Security	
Environmental (NEW)	11:45
LUNCH	12:00
Leasing	12:55 p.m.
Assignments	1:10
Transfers & Bonds	
Bond Reviews (NEW)	
Geophysical	1:30
Rights-of-Way	1:40
Cultural & Paleontological Resources (NEW)	1:55
Biological Resources	2:10
Break	2:25
Restoration (NEW)	2:40
Best Management Practices (BMPs)	2:55
Online Information	3:10
HF Rules (New)	3:25
MOU with CDOGGR	3:35
Conclude - (evaluations)	3:45 p.m.

#Agenda subject to change#