



The Override

Every Landman Wants One!

Volume VI, Issue II

March, 2011



Los Angeles Association of Professional Landmen

Presidents Message

**Stephen Harris, CPL
Independent**

We are now in March 2011 and the year has already started with a roar on almost every level. We have just finished 2010, the year of the worst oil spill in this country's history, and now to oil price shocks; due partly to increased and welcome demand, but also to events not even imaginable just a few months ago.

We are working in the Petroleum Industry, and it is a global business as you all know. Because of the global nature, investment decisions here in the LA Basin are partly based upon events occurring in North African countries and Arab states. As hard as it to imagine, when a thug like Kaddaf or "benevolent" inbred, misogynistic tribal fefdoms like the Saudis have political unrest, landmen are affected in California. Budgets are made by our clients and employers, based upon the commodity pricing and that, in essence affects our work.

I just heard the President mention he is for more oil drilling; that we use 7% less oil than we did 10 years ago and we

Inside This Issue:

~ Click on a topic to take you to that article ~

Presidents Message	1
Luncheon Speaker	1
Editor's Corner	2
Lawyer's Joke of the Month	3
Treasury Report	3
Scheduled Luncheon Topics	3
Chapter Board Meeting	3
New Members and Transfers	3
Guest Article	8
Special Want Ad	17
Case of the Month	18
Special Events	13 & 20

are producing more oil than we have in years. He made no mention of gas, but harped on the "fact" that we have 2% of the reserves (oil) in the world and use 25% of the supply of oil. I assume the President was attempting to counter the critics he is against oil drilling. He further mentioned his administration is studying efforts for new drilling in the Atlantic and onshore/offshore Alaska. Predictably, no mention of drilling off California - he has the State's Democratic party locked up out here, so no pandering needed.

The President's blather about renewables constituting 30% of our energy by 2035 is disingenuous at best, as was his quoting T. Boone "Mr. Natural Gas" Pickens that we "can't drill our way out of this problem." That is nonsense and ignores the gigantic reserve increases in natural gas from country-wide (and soon, world-wide) development over the past 10 years. There is so much gas on the market due to the success of our drilling programs recently we are still in a gas price glut.

The increase in the US liquid reserves is shaping up to nearly double our 30 billion barrels of recoverable oil reserves. In the next few years, California will add substantially to the USGS's revised figures coming out of the old Williston Basin and down to South Texas. The Bakken alone is estimated by the government to have over 500 billion bbls of recoverable oil, or approximately \$50 trillion dollars of oil. That is a "T" for trillion, not a "B" for billion.

While it has been about 50 years since the last big onshore discoveries in the US, the shale drilling has created some of the largest discoveries in our petroleum history which we are just now inventorying.

[Presidents Message continued on page 4](#)



Meeting Luncheon Speaker

Using Emotions During Negotiations

Our guest speakers for the March luncheon will be **Daniel Johnson** and **Steve Stafford** with ADR West, a mediation organization offering alternative dispute resolution. Their broad and diverse experience has provided them with a unique set of communication, mediation and relationship-building skills that are critical to settling conflicts. Their topic will be "Using Emotions During Negotiations."

Mr. Johnson has twenty-five years of experience as a Fortune 50 executive and consultant dealing with domestic/international sales management, operations, mergers/acquisitions, negotiations and mediations. Dan completed his undergraduate studies at Southern Illinois University. His expertise includes contracts, business

[Luncheon Speaker continued on page 4](#)



Editor's Corner

Joe Munsey, RPL
Newsletter Chair

Southern California Gas Company

Welcome back from the winter 2010 – 2011. Californians have had one wet and unpleasantly cold winter this year. Thanks to naturally occurring global warming, spring appears to be ascending on us here in the Southland with long overdue warm weather. I, for one, have been patiently yearning for climate change to come sooner than later and thus enjoy some long awaited warmer conditions – then the cycle begins again. Sounds pretty much like what climate change is all about – so what is all the upheaval regarding the changing of the seasons?

In the event you have been living in a cave for the last year or so, there has been much brouhaha and political m el ee over the “fracing” process involving the shale resource plays. It is now drawing the fringe elements out of the woodwork in full view. Being a proctologist on the lookout for the scatter brained methods and processes of the political left is not a job for everyone. But it sure is fun at times poking around, pun intended, finding and discovering the paradoxical perplexities imbedded deep in the bowels of the Progressive crowd.

Take the scholarly term “political science.” I am not convinced when this term is repeated that it does not bring a wry smile to the faces of those who profess to be practitioners of political science. Science is about proving up theories using different methods and procedures to arrive at factual conclusions. The political process is not science; it is akin to the sausage production process, and you do not want to see it being made. However, we now have an “expert scientist” who claims not

even science can be trusted. So much for relying on science, I guess we can go back to believing in creationism again. But that is not where I'm headed here.

A named “authority” as was reported on EnergyinDepth.com website who articulated the “science” behind the fracing process. Let's listen in on the conversation:

"Thanks for the clarification, Mary. I have worked in engineering and the sciences for 30 years. I have also researched the philosophy of science. So I can say this with some authority: We should not, and cannot solely depend upon science to guide us. The reasons for this are many. Here are a few:"

"Science and mathematics on the surface seem very orderly and neat, but when you look into it, you will find there are many warts, inconsistencies, and uncertainties. Scientific predictions are only as good as the data. No data? No clue.

Oddly enough, this "authority" went on to say.

"Likewise, scientific predictions are only as good as the models. So even if you have good data, if your models are wrong, again: No clue. Science has been wrong many many times."

"Science is a tool. That's all. You use a tool when it is appropriate."

Well, I was beginning to wonder what this "expert authority" was an authority on. No go, he was waxing on why we cannot use tested and solid scientific evidence that fracing is a safe and effective method for wooing oil and gas out of the shale resources here in America.

Per chance, this gentleman was part of the cadre of like minded professionals who advised former Speaker of House, Nancy Pelosi, on matters related to that brilliant piece of congressional sausage making legislation they call the Energy Independence and Security Act of 2007. As I recall, it was going to wean us off foreign oil, give us cars that run on fumes and batteries and last but not least – it was suppose to conquer our appetite for foreign oil. As Dick Morris recently

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stated, “No one is green at \$6.00 gas.”

An unnamed fellow conservative pondered the profundity of the labels assigned to those on each end of the political spectrum.

Here is what he came up with, “I have often wondered why the *conservatives* are called the “right” and the *liberals* are called the “left.” Our conservative colleague stumbled upon this verse in the Bible: Ecclesiastes 10:2 (NIV) “*The heart of the wise inclines to the right, but the heart of the fool to the left.*”

Does a conundrum exist here? Can we use a historical book consisting of a hodgepodge of authors to describe our rambling science authority and his fellow progressives?

While you ponder that for a moment, please make a mental note to join your colleagues and industry friends at the Long Beach Petroleum Club, Thursday, March 17th, for good food, networking and to hear our guest speakers discuss “The Use of Emotions During Negotiations.

Lawyers' Joke of the Month

**Jack Quirk, Esq.
Bright and Brown**

These are actual comments made by 16 Police Officers. The comments were taken off actual police car videos around the country:

1. "You know, stop lights don't come any redder than the one you just went through."
2. "Relax, the handcuffs are tight because they're new. They'll stretch after you wear them a while."
3. "If you take your hands off the car, I'll make your birth certificate a worthless document."
4. "If you run, you'll only go to jail tired."
5. "Can you run faster than 1200 feet per second? Because that's the speed of the bullet that'll be chasing you."
6. "You don't know how fast you were going? I guess that means I can write anything I want to on the ticket, huh?"
7. "Warning! You want a warning? O.K, I'm warning you not to do that again or I'll give you another ticket."
8. "Fair? You want me to be fair? Listen, fair is a place where you go to ride on rides, eat cotton candy and corn dogs and step in monkey poop."
9. "Yeah, we have a quota. Two more tickets and my wife gets a toaster oven."
10. "No sir, we don't have quotas anymore. We used to, but now we're allowed to write as many tickets as we can."
11. "I'm glad to hear that the Chief (of Police) is a personal friend of yours. So, do you know someone who can post your bail?"
12. "You didn't think we give pretty women tickets? You're right, we don't. Sign here."



Early Bird Prompt For LAAPL Annual Dues

Sarah Downs

**Downchez Energy, Inc.
LAAPL Treasurer**

A reminder that we will be calling for dues late Spring; which will be due by June 2011 for the 2011 – 2012 year. Cost, a mere \$40.00.

Chapter Board Meetings

There will be a board meeting prior to the regular March meeting on Thursday, 17th of March, 10:30 pm.

Non board members are invited to attend to see your board in action!

Our Honorable Guests

January's luncheon was a successful joint meeting with the LABSG and LAAPL Chapters held at the Grand at Willow Street Conference Center.

LAAPL's "known" guest of honor who attended:

- James Karo of Karo & Associates [Venoco]
- Kristi Kalapp of Towill, Inc.
- Samara E. Silverman, Esq., of PLS

Scheduled LAAPL Luncheon Topics and Dates

March 17th

Steve Stafford & Dan Johnson
ADR West
Mediation – Alternative Dispute Resolution
Officer Nominations

May 19th

TBD
Officer Elections

Summer

Dark



Treasurer's Report

As of 01/28/2010, the LAAPL account showed a balance of	\$ 8,069.10
Deposits	\$725.00
Total Checks, Withdrawals, Transfers	
Balance as of 4/30/2009	\$ 8,794.10
Merrill Lynch Money Account shows a total	\$11,096.90

New Members and Transfers

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

New Members

None to Report

Transfers

None to Report

Corrections

None to Report



Randall Taylor, RPL Petroleum Landman

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*Luncheon Speaker
continued from page 1*

and governmental policies/affairs and cultural issues.

Mr. Stafford has thirty-five years of experience as a CPA, consultant, advisor dealing with business transactions, acquisitions and sales of business ownership and family dispute resolutions; Steve Stafford brings with him a wealth of personal knowledge and experience to the alternative dispute resolution process. Steve completed his undergraduate studies at University of Southern California. As a non-attorney who has been involved in arbitrations, mediations, negotiations, and settlement conferences as a mediator, consultant or advisor, he offers exceptional analytical skills relating to business, economics and relationship matters.



*Presidents Message
continued from page 1*

If given the chance, I would like to tell Mr. President we have potentially two trillion barrels of recoverable oil in North America, or roughly eight times the oil reserves known in Saudi Arabia. Granted, these huge reserves are hard to commercially produce until oil prices reach \$80/bbl or higher, but they cannot be forever ignored. Yes, Mr. President, we can drill our way into self sufficiency, if left to market forces and political obscuring of the facts is no longer tolerated.

As to the Deepwater Horizon explosion last year, I note this week the first deepwater drilling permit has been issued from the new B OSMRE, according to API's President Jack Gerard in the GOM. According to Gerard, "this slow-moving process continues to stifle domestic production and puts thousands of jobs at risk in the Gulf and around the country." However, I heard this morning from Mr. President that 35 new permits have been issued.

The Washington Post ran an article Thursday this week discussing the stability of Saudi Arabia not subject to unrest like the other Arab countries

in the current uprising (an awakening after 1,200 years in my opinion). This morning, I see in the Wall Street Journal an article about Saudi police firing rubber bullets at protestors yesterday.

Last week's Oil and Gas Journal ran an article written by IHS CERA that estimated European shale gas reserves at 173 trillion cubic meters, or for us Yanks, 6.115 trillion cubic feet. That amount of European gas reserves rivals North America (Vlad Putin beware). As Daniel Yergin, Pulitzer winning author of the required reading for oilmen book "The Prize," and HIS CERA Chairman, "the technological revolution in unconventional gas has been the single most important energy innovation so far this century." Yes, Mr. President, left alone, we can drill our way into energy security and stability.

We could drivel on, but I am only trying to make a statement that we are in for quite a ride coming up, and I, an eternal optimist, I suppose, feel this industry has received new blood, new geological frontiers, new political openings around the world and new technology like we never dreamed possible; which leads me to conclude we will stay quite busy as professional landmen in the coming years. That is a good thing.

Before I move on to business, I wish to extend my prayers to the lost souls in Japan dealing with the destruction from last week's earthquake.

As to Chapter business, we have the WCLI this year and LAAPL is hosting the event. I will try to push for a little change in the speaker line-up, thus I have invited Loren Steffy, the award winning business columnist at the Houston Chronicle, whose recent book "Drowning in Oil" is the story about BP and the reckless pursuit of profits. All of us in the industry should read his book, which gives an in depth look at BP; interviews with BP executives and employees, and is a gripping narrative of last year's catastrophe. How BP's ("Beyond Petroleum") winner-take-all business culture made it all but inevitable. The story of how people unnecessarily lost their lives at the BP

Texas City refinery a few years ago to last year's deaths in the Gulf, has to be understood, if nothing else, to make sure any future corporation's greed does not reach the extreme depths which led to BP's quite preventable disasters ever again.

Your Directors have been working on updating our LAAPL website, and we need to approve a budget for that to happen. One of the updates, which I feel strongly about, is to have the WCLI entire conference and its speakers available online on our website. I will ask AAPL for CE credits for those who download the conference. It would also serve as part of the educational section being built for the LAAPL website. I feel that, with the new Oil, Gas and Law book being released by AAPL, which will be an 18 state comparison, we can contribute and help professional landmen across the country looking to work in California by at least posting legal and land cases and articles for their review and education. We will have more to discuss about the WCLI in the coming months.

There will be a chance at the meeting to sign up for a geological and oil industry history tour of the LA Basin, led by Don Clarke, OXY, for all who want to attend. I think this is a wonderful opportunity for our members to actually feel and touch LA's oil history – at least before Don, with his new found television celebrity (Discovery Channel being the most recent), goes typical Hollywood / Charlie Sheen on us.

Joe Munsey will be taking over as your new President, and we all know we are in for insightful and informative readings this coming year, as he is also an award winning scribe which hails from our fair chapter. I may try to suggest some jokes or other attempts at humor, just to unwind him a bit for levity, as he cares passionately in what is right in our industry.

We have two wonderful speakers for our luncheon, so please attend if you are able.



LAAPL CANDIDATES FOR 2011 – 2012 OFFICERS



The LAAPL's duly appointed Nomination Committee has appointed Randall Taylor, RPL, of Taylor Land Services, Sarah Sanchez-Downs, Downchez Energy, Inc., and Stephen Harris, CPL, Independent/Oxy to seek out qualified candidates for officers. The officers will serve from July 1st, 2011 – June 30th, 2012. For all qualified members interested in submitting their names as candidates are encouraged to contact the committee members:

Randall Taylor, RPL @ (949) 495-4372, email: randall@taylorlandservice.com

Sarah Sanchez-Downs @ (562) 639-9433, email: sarahdowns0921@gmail.com

Stephen T. Harris, CPL @ (213) 999-7344, email: oil.gas@gte.net

Per Section 7 (7a) of the By-laws, the membership will be provided with a list of nominees for officers for Vice President, Secretary, Treasurer and two (2) Directors at the March meeting. Further nominations from the floor will also be accepted at the March meeting. Members whose names are placed in nomination must give prior consent to be nominated and by mail or email up to May 1, 2011. The election will take place at the last regular meeting of the Association this fiscal year, which is scheduled for May 19, 2011.

Randall Taylor, RPL, Sarah Sanchez-Downs and Stephen T. Harris, CPL, have received, or discussed with members, those qualified candidates set forth below.

President¹	Joseph D. Munsey, RPL, Senior Land Advisor, Southern California Gas Company Independent
Outgoing President²	Stephen T. Harris, CPL, Independent
Region VIII AAPL Director³	Randall Taylor, RPL, President, Taylor Land Services

<u>OFFICE</u>	<u>CANDIDATE</u>
Vice President	L. Rae Connet, Esq., Managing Partner, PetroLand Services
Secretary	Jennifer Evans, Aeneas, Inc.
Treasurer	Sara Downs, Landman, Downchez Energy, Inc.
Director	Randall S. Taylor, RPL, President, Taylor Land Services
Director	Tom Dahlgren, Warren E&P, Inc.

¹Per Section 7(3) the Vice President shall succeed to the office of the President after serving his or her term as Vice President and shall hold the office of President for the next twelve (12) months.

²Per Article 8 (2) the outgoing President shall serve as Director.

³Not an elected position and not a member of the LAAPL Board – by Board appointment for a two year period.

Need continuous education credit? You can generally earn them by attending our luncheons based upon speaker and subject matter. Listed below are continuous educational courses available March through April 2011.

MARCH 2011

Mining and Land Resources Institute

When: March 17th & 18th, 2011

Where: Reno, NV

RL/RPL Continuing Education Credits: 11

CPL Recertification Credits: 11

Ethics Credit: 1

Oil and Gas Land Reviews and CPL/RPL Exams

When: March 22nd - 25th, 2011

Where: Pittsburgh, PA

RL/RPL Continuing Education Credits: 18

CPL Recertification Credits: 18

Ethics Credit: 1

ESA Credit: 1

APRIL 2011

Joint Operating Agreements, Exploration and Participation Agreements Seminar

When: April 1st, 2011

Where: Calgary, Alberta

L/RPL Continuing Education Credits: 7

CPL Recertification Credits: 7

Oil and Gas Land Reviews and CPL/RPL Exams

When: April 6th – 9th, 2011

Where: Midland, TX

RL/RPL Continuing Education Credits: 18

CPL Recertification Credits: 18

Ethics Credit: 1

ESA Credit: 1

Young Professionals in Energy Summit

When: April 8th – 10th, 2011

Where: Tropicana Hotel
Las Vegas, NV

Contact: Sarah Sanchez-Downs
Sarahdowns0921@gmail.com
(562) 639-9433

Southwest Land Institute

When: April 14th, 2011

Where: Dallas, TX

RL/RPL Continuing Education Credits: 7

CPL Recertification Credits: 7

RL/RPL Continuing Education Credits: 6

CPL Recertification Credits: 6

Working Interest/Net Revenue Interest Calculations Workshop

When: April 29th, 2011

Where: Pittsburgh, PA

L/RPL Continuing Education Credits: 6

CPL Recertification Credits: 6

Working Interest/Net Revenue Interest Calculations Workshop

When: April 30th, 2011

Where: Morgantown, WV

L/RPL Continuing Education Credits: 6

CPL Recertification Credits: 6

Sample of Home Study Courses Offered by AAPL [Includes Cont. Ed. Credits]

- Environmental Awareness for Today's Land Professional
- Due Diligence fro Oil and Gas Properties
- Historic Origins of the U.S. Mining Laws and Proposals for Change
- Common Law Environmental Issues and Liability for Unplugged Wells
- Ethics Course



Stanford Petroleum Investments Funds

Photo courtesy of Andreas Mulch

Investing in Energy to Support Education and Research



“Today’s computational capacity and the availability of large volumes of data from ground-based observations and satellites offer new opportunities for understanding how the Earth system works and how human activities interact with Earth processes. The Stanford Center for Computational Earth and Environmental Science will enable the development of sophisticated models to address questions about energy and freshwater resources, natural hazards, climate change, and other global issues.”

Jerry M. Harris, Founding Director, Center for Computational Earth and Environmental Science, Professor and Former Chair, Department of Geophysics, Stanford University; Director, Stanford Wave Physics Laboratory; Past Distinguished Lecturer, Society of Exploration Geophysicists, American Association of Petroleum Geologists, and Society of Petroleum Engineers.

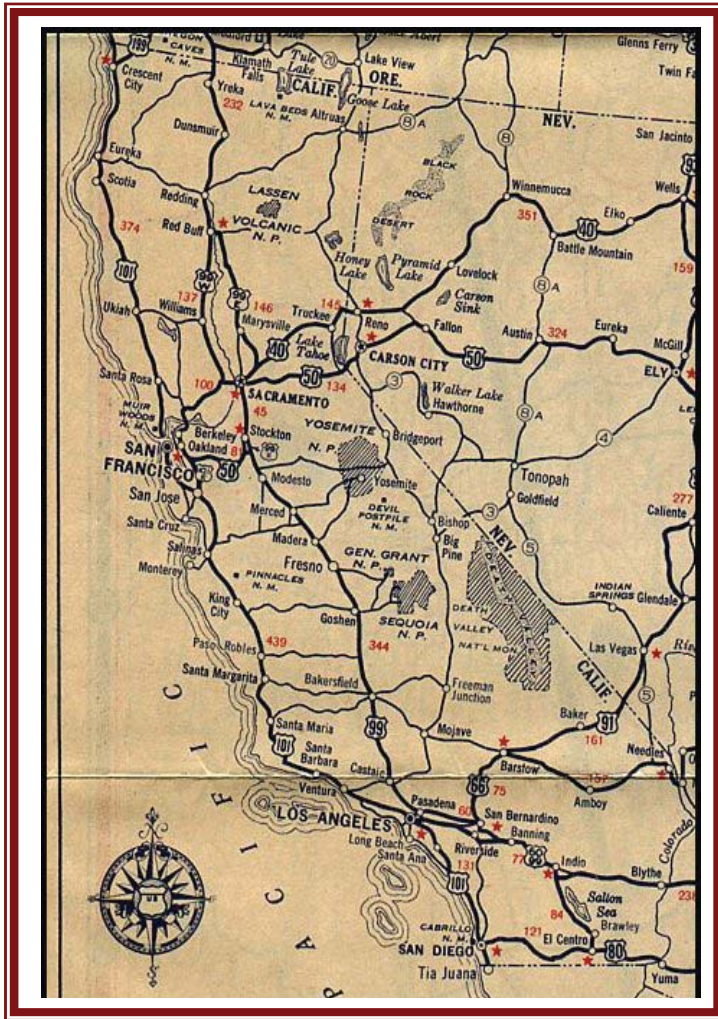
The alumni-managed Stanford Petroleum Investments Funds own, manage, and acquire producing oil and gas royalties and other energy investments. Income from these investments provides essential discretionary funding in support of energy and environmental education and research and other programs of the Stanford School of Earth Sciences. The Petroleum Investments Funds provided seed funding to help launch the Stanford Center for Computational Earth and Environmental Science.

If you would like to sell or donate producing oil and gas royalties or learn more, visit <http://earthsci.stanford.edu/alumni/support/pif> or call or email David Gordon, Executive Administrator, Petroleum Investments Committee, Stanford School of Earth Sciences, at (650) 723-9777 or dsgordon@stanford.edu to see how you can help.



US 99 – CALIFORNIA’S UNIFYING LINK

By Larry S. Stevens, SR/WA



California 99 – Circa 1933

It was a warm morning, the beginning of one of those Indian Summer days deep into October where the Southern California air goes stagnant, the brown haze stacks brown and thick against the San Gabriel Mountains and the heat becomes stifling; it was the perfect day for our family to escape to the mountains for a respite from the heat and smog, and a golden opportunity to search for some early fall color nestled in the cool narrow valleys of the Tehachapis. That day was over a half-century ago now, but I still remember my parents packing a picnic lunch for the Saturday drive across the San Fernando Valley via San Fernando Road (Interstate 5 was still in the final planning stages), Sierra Highway, past Tip’s Restaurant at Castaic Junction (for those of you who may not know, James Dean ate his final breakfast at Tip’s before his tragic crash on US 46), and then, up the grueling 5-mile grade on the newly reconstructed US 99 (not Interstate 5, its antecedent, a four-lane divided “mountain expressway”) – affectionately known as the Ridge Route.

My parents were children of the Great Depression and in some ways represented a real-life California rendering of the Joad family in John Steinbeck’s *Grapes of Wrath*; they married in 1928, at eighteen and my brother was born in February of the following year. Because of unfortunate timing as the stock market hit rock bottom in October 1929, no high school diploma, few skills and even fewer opportunities, they were forced to leave North Hollywood and move to the Central Valley where my uncle offered food and shelter on his Delhi ranch in exchange for my father working his peach orchards (no cash remuneration, just food and lodging). The days were long, the work arduous, but with the harvest of the peaches, the balky REO flatbed truck was loaded high and my dad would share the driving duties in taking the ripe, juicy fruit to the wholesale market in downtown Los Angeles.

But to reach that final destination, the tortuous challenge of the Ridge Route had to be overcome.

The original path through the San Gabriel and Tehachapi mountains was blazed by local Indian tribes. However, it was adventurer, explorer, land baron, California “conqueror¹,” politician, failed presidential candidate (first Republican presidential candidate, 1856) and civil war general John Charles Fremont who claims the trail’s namesake; and as his trail grew in importance and broadened to a *carretas* path, troop protection at Fort Tejon and the Butterfield stage line followed. However, it wasn’t until 1914 that the first true roadway was constructed.

Prompted by a real concern that the state might be severed at the Tehachapis, Southern California interests, including the Auto Club, worked tirelessly to make the road a reality and preserve the state as one.² Using horse-drawn scrapers, workers braved the elements, as well as the terrain, carving a 20-foot wide roadway, from ridgeline to ridgeline, through the rugged mountains and opened the first road link between Los Angeles and Bakersfield in 1915. It was immediately hailed as a “Magnus Opus” of mountain highway engineering. Designed to minimize earth moving, it had “697 curves, which forced drivers to make the equivalent of 110 complete circles as they crossed the mountains.”³ Five years later, realizing an all weather surface was needed, the highway was paved.

It was this treacherous, hairpin laden stretch of macadam that my father crept over with his precious and carefully piled load. Others have recounted stories of trucks, creeping along so slowly that their owners, tired of sitting in the hot cab, would set the throttle, located on the steering post in those days, jump out of the truck and walk alongside; if done by my father, it was left out of his recitation of the adventure.

Even then the Bakersfield side of the pass was known as the “Grapevine.” Thought by many to be named for its serpentine resemblance to a grapevine wending its way to the summit at Tejon Pass, the name actually came from early wagon teamsters who would hack their way through thick patches of Cimarron grapevines that inhabited “La Canada

“SUICIDE LANE”

de Las Uvas,” Canyon of the Grapes.⁴



Within a little over a decade, this road would mercifully fade into history, replaced in 1933 with a three-lane Ridge Route Alternate Highway that was designated as California Highway 99. This new route took out some of the worst kinks in the road and created a road that allowed “sustainable speeds that could exceed 45

MPH.”⁵ Surely this was greeted with a sigh of relief from my father who continued to ply the route until 1937. Like its predecessor, the “Alternate” was lauded as an engineering marvel. Never mind that the middle lane, used as a passing lane for both uphill and downhill drivers, became known as the “suicide lane.” Realizing the folly of a three-lane configuration with a burgeoning population, the Division of Highways began phasing it out in 1943 and by 1951 had converted the entire length to a four-lane divided expressway. Having been born in 1948, I don’t remember the “suicide” road feature as it was replaced with a four-lane expressway when my

memory banks began to work, but I do remember quite vividly actually playing this insane high-speed game of chicken on the 3-laned Route 14 expressway between Newhall and Saugus in the 1970’s.

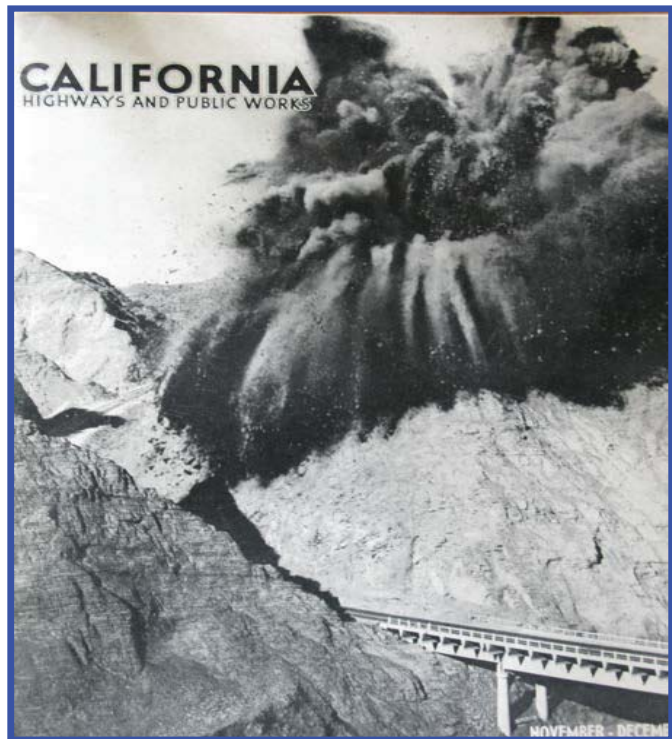
It was upon this 4-laned expressway version of the Ridge Route that my parents drove on that autumn day so long ago. The one section that stands out and made that day memorable was the Piru Creek stretch of road. It was here that the highway descended into a steep, narrow gorge with the nearly perfect shape of Pyramid Rock standing guardian at the entrance to the canyon. The pyramid shape was the result of the highway department’s blasting for additional road width in 1933. This feature is now where the Pyramid Dam is located.

It was here in a gentle crook in the road that the highway department had created a rest stop. Primitive by today’s standards, the cottonwoods, golden at this time of the year, the sounds of the creek gurgling over the rocks and a faucet for overheated radiators, along with a few picnic tables provided a shady and popular respite for road weary travelers, and it was our setting for lunch. I remember shedding my shoes and gingerly picking my way through the ice-cold water and the slippery cobbles that lined the streambed. Unfortunately, this narrow gorge was the ideal spot for a reservoir and about 10-miles of



Widening of Piru Gorge to a four-lane highway, 1950 – before . . . and after.

— *California Highways and Public Works*,
November/December 1950 edition



this scenic canyon and US 99 was inundated in 1970 by the California Aqueduct Project and is now buried several hundred feet beneath the shimmering, blue surface of Pyramid Lake.

But, whether the canyon remained or not, the need for a better transportation corridor was obvious. Southern California was hitting its stride in its love for the automobile and the Ridge Route was feeling the growing crunch of cars and commerce. The need for improvement was identified as early as 1947, but lacked funding. With the passage of the Interstate Highway Act in 1956, a funding mechanism was identified and the state quickly acted on this critical corridor. Between 1960 and 1967 one of the great engineering marvels of the Interstate Highway system was constructed – an eight-lane superhighway, built to federal standards, across mountainous terrain. As a testament to this engineering triumph, more dirt was moved for its grade requirements than for the construction of the entire Aswan High Dam and is one of the few single manmade objects to be clearly visible from space.⁶

Like Route 66, known as “the Main Street of America,” Route 99 was the north-south backbone for California’s commerce and personal travel. It provided, and by means of Interstate 5, still provides, a vital north-south link that maintains the economic health of the state. While model T’s have been replaced with high powered modern sedans and racy sports cars, and the stake-bed farm trucks heading south for the wholesale markets in Los Angeles have by and large disappeared, supplanted by high powered “18-wheeler” rigs carrying everything from micro-computer parts to travel trailers, the need for the route only grows with each passing day.

And what of those earlier iterations of the current I-5? For those who are willing to spend a little time and exert a little energy, some of the remnants of those earlier roadways can still be found. Just above Lake Castaic, one can still drive on the 1915 single slab wide concrete maintained for utility company access, or farther up, and at the ramp before Pyramid Lake, the 4-lane marvel of 1933 still takes one to Pyramid Rock and the face of Pyramid Dam. Gorman, Fort Tejon still exist as does the Cimarón grapevines, but like the changing meander of a stream, the earliest remnants of the 1915

“Grapevine” are slowly being reclaimed by nature. Of the other inns, gas stations and other tourist related structures, most have been destroyed – fire, vandals or just the wear and tear of time have taken their toll. The National Forest Inn, Tumble Inn Camp Tejon and Sandberg’s Summit Hotel, all have passed into history.

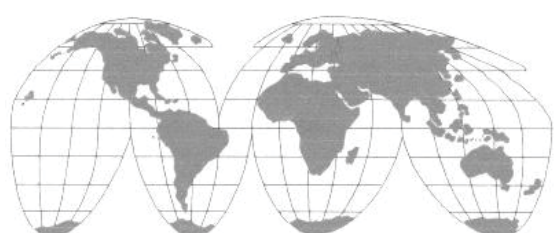
CAMP TEJON

Located approximately 6/10 of a mile north of Deadman's Curve in the niche between what is today the north and southbound lanes of the I-5 freeway.



When my parents took me on that jaunt, I had no thought that one day my life's work would be linked so closely to the transportation system. But with the passage of time, and having worked with some of the "Old Timers" who worked on these projects, I have come to truly appreciate their professionalism and achievements, and moreover their unheralded contribution to the growth and development of the Golden State.

¹ Los Angeles, Harry Carr, 1935, pg. 83
² Drive the High Country, Paul Lasley, Westways Magazine, March/April 2001
³ The Ridge Route Book, Harrison Irving Scott, excerpt from book found at www.ridgeroute.com website.
⁴ Ridge Route, www.ridgeroute.com, home page.
⁵ Historic US 99 Guide, www.gbnet.com/ushighways/US99/US99g
⁶ Historic US 99 Guide, www.gbnet.com/ushighways/US99/US99f

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BAPL TO HOLD ITS 23RD ANNUAL GOLF FUND RAISER

*Rick Peace, President
White Wolf Land Services*

It is that time again to mark your calendars for our annual "Fun" Raiser for such a great cause... to raise money for the Bakersfield Homeless Center! Listed below are the details:

23rd Annual BAPL Charity Golf Classic
Friday, April 15th, 2011
12:30 Shot Gun Start
Rio Bravo Country Club

Mr. Brent Davenport and I are teaming up to make this a sellout once again, and hope for your continued or new support of this great event! Not only is dinner included in this tournament, but also drink holes, competition holes, longest drive, putting, etc., and just a great time with your friends from the oil and gas industry and industry supporters.

Please see the attached entry and sponsorship forms for your review and use, and please accept our apologies for any duplicate emails from Brent, myself or any other supporters of this event. If you are unable to play, you can always make a donation directly to the BHC, plus make your check for the tournament or sponsorship payable to the center

GOLF continued on page 14



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Joseph M. Anderson
President



P. O. Box 10525 ♦ Bakersfield, California 93389

February 24, 2011

Dear Ladies and Gentlemen:

**RE: 2011 BAPL CHARITY GOLF CLASSIC
Friday, April 15, 2011, at Rio Bravo Country Club**

**2010 BAPL CHARITY
GOLF CLASSIC SPONSORS**

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- Day, Carter & Murphy
- E&B Natural Resources
- Halliburton
- Occidental Petroleum Corp. - California Business Development
- Occidental Petroleum Corporation
- TRC Operating Co. Inc
- Venoco, Inc.
- White Wolf Land Service

“EAGLE”

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- Anderson Land Services
- Berry Petroleum Company
- Bonanza Creek Energy Operating Co.
- Foothill Energy LLC
- LeBeau-Thelen LLP
- Matrix Oil Corporation
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- Geokinetics
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- Hathaway, LLC
- Madison Commercial Construction
- Maverick Petroleum, Inc.
- Panther Energy Company, LLC
- Transamerica Minerals Company

“TEE-IT-UP”

- Driltek
- Holmes Western Oil Corp
- Law Offices of Melvin L. Ehrlich
- Neon Energy Corp.
- Occidental Oil & Gas Corp
- Orchard Petroleum
- Rosenberg Family Ranch

“KEEP-YOUR-HEAD-DOWN”

- Brown Armstrong
- Chevron U.S.A. Inc.
- Energy Management Services
- Michael E. Hurst & Associates
- Midway Laboratory, Inc
- Multi-Chem
- PacSeis Inc.
- Petroleum Land Management, Inc
- Petru Corporation
- Processes Unlimited
- TitleWorks Corporation

CORPORATE CHALLENGE WINNER:

- Occidental Petroleum Corporation - California Business Development

BEST DRESSED TEAM:

- White Wolf Land Service

For more than 20 years, the Bakersfield Association of Professional Landmen (BAPL) have hosted the BAPL Charity Golf Classic to benefit the Bakersfield Homeless Center (BHC). Thanks to our sponsors and participants, last year’s event was another big success, as we donated \$30,000 to the BHC! For 2011, we have set a high goal, **with a mission to contribute a minimum of \$30,000 once again.** We can only reach this goal by the continued generous sponsorships and team recruitments from companies and individuals in and about our community. The BHC has expanded its operations to provide services to increasing numbers to meet family and individual needs. **Unfortunately, the depressed economy and state funding restrictions means the BHC needs our help more than ever!**

The BAPL Charity Golf Classic is a scramble format with prizes for low gross and low net. Once again, we will offer the Corporate Sponsor level, which will provide the contributors with golf and dinner for 4 players, automatic participation in the Corporate Challenge, along with their name/logo at the tee box and in the event program. The Corporate Challenge will be open only to those donating at the Corporate Sponsor level. The team with the lowest gross is the Corporate Challenge winner. We will also have the post-dinner raffle with over \$1,000 in prizes! Refreshments will be at each par-3. There will be contests for “closest to hole” and “longest drive”, a total of \$20,000 in hole-in-one prize money, a putting contest, and several other fun and exciting ways for you to win prizes! **Do yourself a favor and register early, as we expect a sellout maximum of 144 players!**

Please review our list of available sponsorship opportunities:

“KEEP-YOUR-HEAD-DOWN”	\$100 (tee box)
“TEE-IT-UP”	\$250 (par 3s)
“BIRDIE”	\$500 (includes one player’s fee & dinner)
“EAGLE”	\$1,000 (Includes two player fees & dinner)
“CORPORATE SPONSOR”	\$1,500 (includes four player fees, dinner and the Corporate Challenge)

All of the above sponsors will be included in our event program and have tee box signs. If you would like to donate items to be included in the goody bags handed out at check-in, please call Brent Davenport (661) 412-5500.

If you wish, you may make your sponsorship check payable to the BHC. However, if you send your check directly to the BHC, **please send a copy of the check to the BAPL.**

Our combined Sponsorship & Registration form is enclosed with this letter. Please use it for either sponsoring, playing in our tournament... **or both!*

If you have questions regarding sponsorship, please call Brent Davenport (Oxy) at (661) 412-5500, or Rick Peace (White Wolf Land Service) at (661) 324-9653, or Louis Gill (the BHC Executive Director), (661) 322-9199. Otherwise, we will contact your office in the near future. *The deadline for sponsorships to be included in the event program is Friday, April 1st, aaaaaaaaaaaaaaaaaaaaaaaaaaaaaa plus to be prominently displayed on our event signage at the golf course and dinner. **Please hep us help the Bakersfield Homeless Center!! YOU’LL FEEL GOOD THAT YOU DID!!**

- | | | |
|---|---------------------------|---|
| Brent Davenport
BAPL VP
Activities & Events | Rick Peace
Sponsorship | Louis Gill, Executive Director
Bakersfield Homeless Center |
|---|---------------------------|---|



THE 23rd ANNUAL BAPL CHARITY GOLF CLASSIC
Benefitting the Bakersfield Homeless Center
 Friday, April 15, 2011, 12:30 p.m., at Rio Bravo Country Club

Over the past 20 years, the Bakersfield Association of Petroleum Landmen (BAPL) has hosted the BAPL Charity Golf Classic to benefit the Bakersfield Homeless Center (BHC). Thanks to our sponsors and participants, last year's event was another big success, as we donated \$30,000 to the BHC! For 2011, we have set a high goal, with a mission to raise a minimum of \$30,000 once again. We can only reach this goal by the continued generous sponsorships and team recruitments from companies and individuals in and about our community. The BHC has expanded its operations to provide services to increasing numbers to meet family and individual needs. Unfortunately, the depressed economy and state funding restrictions means the BHC needs our help more than ever!

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SPONSORSHIP

- ___ "KEEP-YOUR-HEAD-DOWN" SPONSOR (includes your name listed at a tee box and in the event program).....\$100.00
- ___ "TEE-IT-UP" SPONSOR (includes your name and company logo at a tee box and in the event program).....\$250.00
- ___ "BIRDIE" SPONSOR (includes golf & dinner for 1 player; name and company logo at a tee box and in the event program).....\$500.00
- ___ "EAGLE" SPONSOR (includes golf & dinner for 2 players; name and company logo at a tee box and in the event program)....\$1,000.00
- ___ "CORPORATE" SPONSOR (includes golf & dinner for 4 players; name and company logo at a tee box and in the event program, and automatic participation in the Corporate Challenge)\$1,500.00

Company Name: _____ Contact: _____
 Address: _____ Phone: _____
 _____ E-mail: _____

Make sponsorship checks payable to BAPL or Bakersfield Homeless Center and mail to:
 BAPL, ATTN: JOHN GILBERT (Treasurer), P.O. BOX 10525, BAKERSFIELD, CA 93389
Important: If you send your check directly to BHC, please send a copy of the check to BAPL
 Mail your "CAMERA READY" artwork to: Berry Petroleum, Attn: Mary Costa, 5201 Truxtun Ave.,
 Ste 300, Bakersfield, CA 93309 - or email your artwork directly to Mary Costa at: mjc@bry.com
**DEADLINE FOR SPONSORSHIPS TO BE INCLUDED ON TOURNAMENT ENTRY FORM AND
 TO BE INCLUDED IN THE EVENT PROGRAM IS FRIDAY, APRIL 1ST at 5:00 PM**

REGISTRATION

<input type="checkbox"/> Golf and Dinner \$100.00 Name: _____ Address: _____ _____	<input type="checkbox"/> Dinner Only \$20.00 Company: _____ Phone: _____ E-mail: _____
<input type="checkbox"/> Golf and Dinner \$100.00 Name: _____ Address: _____ _____	<input type="checkbox"/> Dinner Only \$20.00 Company: _____ Phone: _____ E-mail: _____
<input type="checkbox"/> Golf and Dinner \$100.00 Name: _____ Address: _____ _____	<input type="checkbox"/> Dinner Only \$20.00 Company: _____ Phone: _____ E-mail: _____
<input type="checkbox"/> Golf and Dinner \$100.00 Name: _____ Address: _____ _____	<input type="checkbox"/> Dinner Only \$20.00 Company: _____ Phone: _____ E-mail: _____

Please make your checks payable to "BAPL" and mail them with your Registration to:
 BAPL, ATTN: JOHN GILBERT (Treasurer), P. O. BOX 10525, BAKERSFIELD, CA 93389
QUESTIONS? Call Brent Davenport (Oxy), (661) 412-5500, or Rick Peace (White Wolf Land Service), (661) 324-9653.




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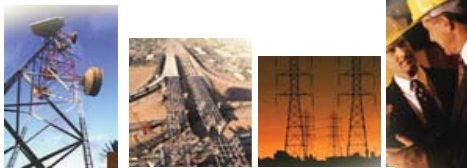
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GRATEFULLY ACKNOWLEDGES THE CONTINUING SUPPORT OF OUR FRIENDS AND CLIENTS IN THE OIL AND GAS INDUSTRY AS WE CONTINUE A TRADITION OF PRACTICE IN THE AREAS OF BUSINESS, REAL PROPERTY AND ENVIRONMENTAL LITIGATION; EXPLORATION AND PRODUCTION TRANSACTIONS; MINERAL TITLE REVIEW AND OPINIONS; LAND USE, ZONING, ENVIRONMENTAL AND OTHER PERMITTING AND ADMINISTRATIVE MATTERS.

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Venoco, Inc.
Senior Landman

SUMMARY

Develops land and leasing prospects of Petroleum Company to secure leases, options, rights-of-way, and special agreements covering land and mineral rights for drilling wells and producing gas and oil by performing the following duties. Position is based in Bakersfield, CA:

RESPONSIBILITIES

- Coordinates activities associated with maintaining, processing, acquiring and disposing of all rights and interests relating to land, leases and contracts (e.g. acquisition of leases, outright purchase of real properties, contractual agreements such as farm-ins with existing owners); ensures that all operations comply with contractual obligations.
- Determines the ownership of targeted properties through the research of records maintained by the Counties, States, and Federal governments.
- Studies lease acquisition costs, surface damages paid, farm-in/out terms, and other negotiations of competing companies in specified areas and determines market rates and expenditures necessary to obtain leases and other contracts in those targeted areas.
- Makes recommendations on agreements and contracts for purchase, sale and acquisition of land leases, mineral and royalty rights; drafts agreements and secures interest in mineral rights and surface rights-of-way.
- Oversees the obtaining of a detailed title analysis and takes whatever action needed to perfect title in preparation for development of a property.
- Responsible for securing pipeline, road, and other similar types of rights-of-way, and settling surface damages prior to drilling or facility installation.
- Interfaces with government agencies to ensure appropriate permitting for field operations.
- May serve as project lead requiring broad knowledge of Land operations.
- Acts as a liaison between the company and the royalty owners and working interest partners.
- Responsible for the maintenance of leasehold rights by insuring that all obligations such as revenue payments of rentals, taxes, royalties, etc are properly distributed.
- Determines and specifies date of termination of lease rentals.
- Negotiates exploration, operating, and/or unit agreements with existing or potential partners in a development project and with brokers or other individuals to sell interests in leases owned.
- May occasionally be required to respond to emergency situations.
- Overtime and travel are occasionally required.
- Assists in training, planning, assigning, and directing of Land team.
- Directs, coordinates and evaluates the Lease Analyst in the performance of property administration duties.
- Oversees the work of contract personnel in analyzing mineral titles to determine ownership and secure leases, options, surface rights, etc.

QUALIFICATIONS

Bachelor's degree (preferably in Land Management) with preference for 10 plus years of the above related experiences and training. An ability to read, analyze and interpret general business periodicals, professional journals, financial reports, governmental regulations and legal documents. Will respond to common inquiries or complaints from senior management, business partners, regulatory agencies, and surface and royalty owners. Registered Land Professional (R.L.P) or Certified Professional Landman (C.P.L.) is preferred. Understands financial and economic concepts such as net present value, rate of return, payout and profit to investment ratio.

CONTACT

Keith Swinehart, Regional Recruiter – keith.swinehart@venocoinc.com [Resume is requested]

**USE ‘EM OR LOSE ‘EM: A WARNING TO SEVERED MINERAL OWNERS
DEALING WITH HOSTILE SURFACE OWNERS**

By Tracy Hunckler & Ryan Stephensen

Attorneys with Day Carter & Murphy LLP in Sacramento, CA (daycartermurphy.com)

Hostile surface owners—all of us have encountered them in connection with efforts to develop a severed mineral estate. Often you are able to work things out, but in some instances, the surface owner refuses to back down, denies you access to the surface and may even flat out deny that you have any rights at all. You are left in a position of filing a lawsuit to enforce your rights, finding other means to access the minerals, such as through adjoining property, or perhaps even moving onto other projects. Did you ever think, however, that if you don’t take action to enforce your rights, you may lose them to the surface owner? Such a result is possible under the doctrine of adverse possession.

The adverse possession doctrine developed centuries ago under the English common law, at least in part, to deal with fragmentary land records.¹ Back then, it was assumed that a cautious property owner would regularly inspect his property and eject any trespassers. Thus, a lengthy possession of land provided the best evidence of ownership. If a landowner did not bring suit within a given period of time to eject a trespasser, then he lost ownership and the trespasser gained title to the property by adverse possession.²

Today, in the United States, adverse possession is a mix of statutory and case law with the precise requirements varying from state to state. Generally speaking, however, an occupant acquires title to land by adverse possession if his possession is:

1. actual;
2. exclusive;
3. open, visible, and notorious;
4. adverse (or hostile) under a claim of right (and under color of title or payment of taxes, in some states);³
5. continuous; and
6. for the statutory period.⁴

In the oil and gas context, if the surface and mineral estates have not been severed, then adverse possession of the surface will generally mature into title to both the surface and underlying minerals. After severance of the mineral estate, the general rule is that adverse possession of the surface will not mature into title in the minerals.⁵ Typically, to acquire title to a severed mineral estate by adverse possession, one must take possession of the minerals by drilling or conducting other mining activities in addition to satisfying all of the other adverse possession requirements.⁶ At least two state courts, however, have indicated that a surface owner may obtain title to a severed mineral estate through adverse possession without ever accessing or developing the minerals.

In *General Refractories Company v. Raack* (“Raack”)⁷ surface owners in Missouri successfully gained title to the severed mineral estate through adverse possession without actually mining the minerals. In Raack, the plaintiffs claimed ownership of a severed mineral estate and filed a quiet title action against the surface owners. Twelve years earlier, the surface owners had sent a letter to the plaintiffs denying the plaintiffs’ interest in the mineral estate, and threatening to file suit for damages and injunctive relief if the plaintiffs ever attempted to access or develop the minerals. The surface owners also erected

¹ Sprankling, *Understanding Property Law* (2000) *Adverse Possession*, § 27.03, pp. 436-437.

² *Ibid.*

³ *California requires the payment of any property taxes assessed on the property during the statutory period. (Ca. Code Civ. Proc. § 325(b).)*

⁴ *Leming et al., American Jurisprudence* (2d Ed. 2010) *Adverse Possession*, § 10. *In California, the statutory period is five years. (Ca. Code Civ. Proc. § 318.)*

⁵ *Williams & Meyers, Oil and Gas Law* (2010) *Interests*, § 224, p. 345.

⁶ *Id.*, at § 224.1, p. 347.

⁷ *General Refractories Company v. Raack* (Mo.App.Ct. 1984) 674 S.W.2d 97.

fences around the entire surface of the mineral estate. Based on these facts, the surface owners claimed adverse possession of the mineral estate as a defense to the quiet title action. The trial court found in favor of the surface owners.⁸

On appeal, the plaintiffs relied on the general rule that one cannot adversely possess a severed mineral estate without “actual possession” of the mineral estate and thus, access of the surface estate alone is insufficient. Under this general rule, the plaintiffs argued that the surface owners had never mined or otherwise accessed the mineral estate and therefore had no basis to claim ownership thereof by adverse possession.

The appellate court recognized the general rule, but determined that it did not apply based on the facts of the case. The appellate court held that “actual possession” involves two things: a present ability to control the thing possessed, plus an intent to exclude others from such control.⁹ In the Raack case, the surface owners actually had excluded the plaintiffs from the mineral estate for 12 years. They had also sent the plaintiffs a letter denying their rights in the mineral estate. Under these facts, the appellate court concluded that the surface owner had “actual possession” of the mineral estate for the purposes of adverse possession.¹⁰

The appellate court also emphasized that the surface owners’ letter gave the plaintiffs sufficient grounds to bring an action in ejectment. Because the plaintiffs sat on their rights, took no action, and acquiesced to the surface owners’ hostile claim for more than the statutory period (in that state ten years), the surface owners successfully gained title to the plaintiffs’ mineral interest through adverse possession.¹¹

Another case out of California also suggests that a surface owner may obtain a fee interest in a severed mineral estate by adverse possession without actually possessing or mining the mineral estate. In the seminal case of *Gerhard v. Stephens*,¹² the surface owner defendants claimed to have extinguished the plaintiffs’ rights in the severed mineral estate through adverse possession by fencing in the land, using the surface for cattle grazing, and even granting oil and gas leases on the land. While the California Supreme Court denied the surface owners’ adverse possession claim, it noted that if the defendants had “covered the surface of [the severed mineral estate] with permanent improvements,” thereby obstructing the mineral owner’s development of the mineral estate, the defendants could have gained title to the mineral estate through adverse possession without ever exploring or developing the minerals.¹³

In legal terms, the California Supreme Court’s statement on this issue is merely dicta, which means that it is not binding legal precedent. This statement, however, still could be used by a hostile surface owner as a persuasive argument in support of an adverse possession claim. If a severed surface owner raised such an argument, it would seem that (in states that have not adopted the ownership-in-place theory of mineral ownership), the severed mineral owner could respond that at most, the surface owner would acquire the surface access easement and not the mineral owner’s right to access the minerals by way of horizontal or slant drilling from adjoining parcels.

The take away from the Raack and Gerhard cases is that a party holding a severed mineral interest should think about the potential of losing its rights through adverse possession when dealing with a hostile surface owner. Faced with a hostile surface owner who will not back down, it may be prudent, if not necessary, to respond by bringing an action in ejectment, as suggested in the Raack case; or by seeking an injunction to prevent the surface owner from interfering with your rights to explore and develop the mineral estate. The failure to take action within the statutory period for adverse possession (five years in California) may result in loss of some or all the mineral estate.

⁸ 674 S.W.2d at 98.

⁹ *Id.*, at 99.

¹⁰ *Ibid.*

¹¹ *Id.*, at 99-100.

¹² *Gerhard v. Stephens* (1968) 68 Cal.2d 864.

¹³ *Id.*, at 902-903.



Special Event

The Orange County Chapter of Young Professionals - YPE OC Sarah Downs, Downchez Energy, Inc.

Young Professionals in Energy, a non-profit networking organization, emerged in 2006, in Houston, Texas. The idea was the result of a sudden influx of energy professionals pouring into small Texas towns as large exploration companies competed to get a piece of the natural gas pie. Founders, Stephen Cravens and Michael Teplitsky, saw a need for these young professionals to come together, share ideas and learn from each other. Twenty chapters and 20,000 members later, its youngest and fastest-growing chapter has become a reputable group for energy professionals to meet and make business happen. The Orange County Chapter of Young Professionals (YPE OC) was started in October of 2010 by local area Landmen, Sarah and Jason Downs. With only 10 members at their first meeting, they have had a 1,000% increase in membership, and now reach over 300 energy professionals in monthly mail-outs. YPE OC events regularly draw attendees from Southern California Edison, Aminox, Warren Resources, Baker Hughes, RBF Consulting and more.

This platform has allowed members to openly discuss issues in the energy industry. Through YPE OC, relationships are being built across all sectors of energy: solar, wind, oil and gas. These relationships are allowing for energy professionals to share, learn and debate current issues and viable solutions. It may be the happy hour specials, or it may be the free membership; there is no one answer as to why this group has grown so rapidly. The only thing we can be sure of is: with a mission to facilitate the advancement of young professionals in the energy industry, this young group is sure to cultivate future world leaders in energy.