

Presidents Message

Joe Munsey, RPL, Southern California Gas Company "Le Grand Fini"

Well.....the end. However, restrain from pulling out the kazoos and party hats as yours truly will still be around the corral herding land professionals to engage in all things LAAPL. Furthermore, your LAAPL by-laws allow an immediate past president a chair at the table as one of its directors.

As is befitting to do, I would like to extend my thanks to all the board members for their help and support running this organization, [in order of rank] Rae Connet, Esq., Vice President, Sarah Downs, Treasurer, Adrienne Wiggins, Secretary, Steve Harris, CPL, and Tom Dahlgren, Directors. You all have been a pleasure to work with this past year. Then the tireless committee chairs who contribute to the success of the chapter – [alphabetical order] Terry Allred, RPL, Odysseus Chairetakis, Jason Downs, Mike Flores, Randall Taylor, RPL and Olman Velverde, Esq.

I dare not heap praises on any particular board member or chairperson whom we

Inside This Issue:

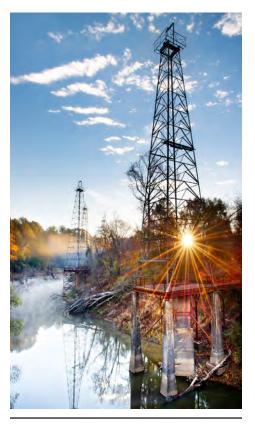
~ Click on a topic to take you to that article ~ Presidents Message Luncheon Speaker Opinionated Corner 4 Lawyer's Joke of the Month; Officers Election Guests; Call for Dues 4 New Members and Transfers; Honorable Guests 5 5 Chapter Board Meeting; Treasurers Report 5 LAAPL Officer Candidates: AAPL Meeting Special SoCalGas Article 6 Guest Article: A Tital Falls 9 Case of the Month - ROW 15 18 Case of the Month - Oil & Gas Pyles Boys Camp Letter 20 21 Educational Corner AAPL Director's Meeting Notes 24 Guest Article - Indiana Natural Gas Boom 25 LAAPL Legislative Affairs Update 28 Golf Registration and Sponsorship Materials 2012 29 WCLI 2012 Save the Date

relied on for making this organization twitch and jolt its way through our term as President, I still need friends in high places while attending the chapter luncheons. Suffice it to say, we had fun in the sun with both the board and committee chairs. I will say though, Randall Taylor felt the occasional harassment in his functioning role as publisher of this fine newsletter, of which I am very indebted. The entire chapter is grateful for him spending numerous weekends working on this fine newsletter.

We have a newsletter packed with amazing articles I encourage all to peruse. Starting with our Oil and Gas Case of the Month - RE: McPherson Oil Company; the prolific writer, Larry Stevens, SR/WA, returns with the history of Rancho Topanga Malibu Sequit; and for ex-Hoosiers living in California who need more than the Indy 500 to boast about, we [yes, I hail from the great State of Indianal now have other bragging rights, at the time of the discovery of the Trenton Field, it was the largest gas field in the world. See our special article on the Indiana Trenton Field.

Alas, prior to being vanquished as the Editor of this award winning newsletter, it was commonly known we would gently poke and pry, nearly as calm as a proctologist, into the contradictory mind set imbedded deep in the bowels of Progressive types. Thus I leave you with this ditty from the May 14th, 2012 issue of the *National Review*, "Perhaps the Secret Service picked up some bad habits protecting John Edwards back in 2004." And to think he nearly became their president.

Merci. Au revoir. Viva la USA!



Meeting Luncheon Speaker

"Assessing of Minerals"

Paul Cowdery has over 25 years experience helping people use complex primary databases empowering them to exploit that information to make their own jobs easier. For the past ten years he has been the Director of Sales and Business Development at ParcelQuest working directly with landmen, oil/gas companies, realtors, appraisers, investors as well as public agency employees offing them the capabilities to mine County Assessor Data. His topic will include the following:

- Prop 13 changed everything
- Prop 13 and petroleum properties
- Assessor's view of the evaluation of petroleum properties
- Supplemental Assessments
- Rule 464



Opinionated Corner

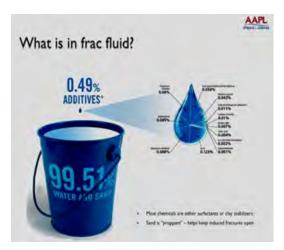
Stephen Harris, CPL Newsletter Chair Independent

In this edition, I will abstain from rhetorical flourish and present the following images for your upcoming summer reading:

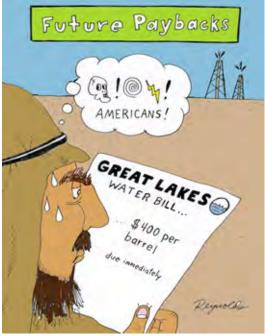
These images are from W.C. Rusty Riese, AAPG 2011 – 2013 Distinguished Ethics Lecturer from Rice University, Houston, TX – "Oil Spills, Ethics and Society: How they intersect and where the responsibilities reside"

The Deepwater Horizon oil spill
will have had no lasting environmental impact:
"Ultimately mother nature will handle it..."
(Edward B Overton, Professor Emeritus, LSU, 2011)

Opinionated Corner continued from page 2



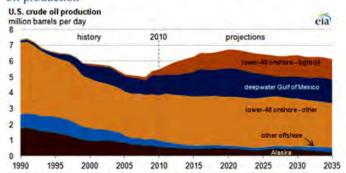




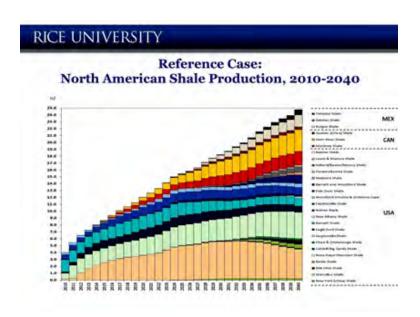


Today in Energy February 8, 2012

Tight oil, Gulf of Mexico deepwater drive projected increases in U.S. crude oil production



Source: U.S. Energy Information Administration, Annual Energy Outlook 2012 Early Release Reference case, Notes: Crude oil includes lease condensate. Tight oil projections are for selected tight oil plays. Data from the AEO2012 Early Release Reference case are subject to change with the release of the full AEO in spring 2012.



"Politics is more dangerous than war, for in war you are only killed once"

- Winston Churchill

2011–2012 Officers & Board of Directors

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Southern California Gas Company
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Stephen Harris, CPL Past President Independent 213-999-7344

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Adrienne Wiggins Secretary PetroLand Services 310-349-0051

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Randall Taylor, RPL Director Taylor Land Services, Inc. 949-495-4372

Thomas G. Dahlgren Director Warren EεP 562-590-0909 Ext. 204

Randall Taylor, RPL Region VIII AAPL Director Taylor Land Service, Inc. 949-495-4372

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> > Golf Chair Terry Allred, RPL Termo Company 562-595-7401

Legislative Chair Olman Valverde, Esq., Co-Chair Mike Flores, Co-Chair Luna & Glushon 310-556-0444



LAAPL Election for 2012 - 2013 Officers

The LAAPL's Board of Directors duly appointed Stephen T. Harris, CPL, Independent, and Thomas G. Dahlgren, Manager of Land, Warren E & P, as Cochairs of the Nominations Committee. The following parties were selected by the Nominations Committee and will be brought forth at the May 17, 2012 Regular Meeting held at the Long Beach Petroleum Club for voting by the membership.¹

President²

L. Rae Connet, Esq., PetroLand Services

Outgoing President³

Joseph D. Munsey, RPL, Southern California Gas Company

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Paul Langland, Esq., Independent

Secretary

Adrienne Wiggins, PetroLand Services

Treasurer

Sarah Downs, Downchez Energy, Inc.

Director

Stephen Harris, CPL, Independent

Director

Tom Dahlgren, Warren E & P, Inc.

Region VIII AAPL
Director⁴ Randall Taylor, RPL,
Taylor Land Services, Inc.

¹Per Section VII (7)(c), voting for the slate of officers is to be done by secret ballot. A motion will be brought to the floor asking the members to vote and pass a resolution permitting a departure from said Section VII (7)(c) at the May 2009 meeting.

²Per 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.

³Per Article 8 (2) the outgoing President shall serve as director.

⁴Not an elected position and not a member of the LAAPL Board – by Board appointment for a two year period. Appointment to be made for the 2012-2014.

Lawyers' Joke of the Month

Jack Quirk, Esq. Bright and Brown

I took my dad to the mall the other day to buy some new shoes (he is 66). We decided to grab a bite at the food court. I noticed he was watching a teenager sitting next to him. The teenager had spiked hair in all different colors - green, red, orange, and blue. My dad kept staring at her. The teenager kept looking and found my dad staring back at her every time. When the teenager had had enough, she sarcastically asked: "What's the matter old man, never done anything wild in your life?"

Knowing my Dad, I quickly swallowed my food so that I would not choke on his response; I knew he would have a good one!

In classic style he responded without batting an eye..... "Got stoned once and slept with a parrot. I was just wondering if you might be my kid."

Our Honorable Guests

March's luncheon topic brought out several guests to the Long Beach Petroleum Club. Our guests of honor who attended:

- ✓ Jim Mansdorfer, Southern California Gas Company
- Steve Isgro, Southern California Gas Company
- Robert M. Hoover, Maxwell Resources Corporation

Call For Dues

Per Chapter by-laws, a Notice for Dues was recently sent out to LAAPL Chapter Members. Renewal is \$40.00; kindly submit your payment at the May 17th luncheon or send to:

Sarah Downs

LAAPL Treasurer
Downchez Energy, Inc.
419 Main Street #357
Huntington Beach, Ca 92648

Chapter Board Meetings

The LAAPL Board of Directors and Committee Chairs held its board meeting at the Long Beach Petroleum Club immediately following the LAAPL meeting. The matters discussed at the March board meeting are as follows:

- ✓ New Members
- ✓ LAAPL Annual Mickelson Golf Classic
- ✓ LAAPL to discuss WCLI
- ✓ Website Upgrade
- ✓ Annual AAPL meeting in San Francisco, CA

Other matters

The LAAPL Board of Directors and Committee Chairs hold its Board Meeting at the Long Beach Petroleum Club immediately following the chapter meeting. We encourage members to attend and see your Board of Directors and Committee Chairs in action.

Scheduled LAAPL Luncheon Topics and Dates

May 17th

Paul Cowdery, Parcel Quest "Assessing Minerals" Officer Elections

September 20th

Cody Lee, Westward Energy "The Shale Play Revolution"

September 26th – 28th West Coast Land Institute

November 15th TBD



Randall Taylor, RPL Petroleum Landman

Taylor Land Service, Inc. 30101 Town Center Drive Suite 200 Laguna Niguel, CA 92677 949-495-4372 randall@taylorlandservice.com

BAPL & LAAPL Chapters to Host 30th West Coast Landmen's Institute

Save the Date!

The 30th Annual West Coast Land Institute

When:

September 26th - 28th

Where:

Laguna Cliffs Resort & Spa Dana Point, California

AAPL To Hold Its 58th Annual Meeting in San Francisco, California

To register online or for a downloadable registration form, please go to www.landman.org.

- Dates: June 13th June 16th
- Host Hotel: San Francisco Hilton Union Square
- Educational Credits: 18 Hours

LAAPL Chapter Member to Contribute to AAPL Publication

Kudos to LAAPL Chapter member **Mike Flores**, he is also the Chapter's Co-chair of the Legislative Affairs Committee, for his recent appointment as correspondent for the AAPL's *Landman2* publication. Mike is with the Law Firm of Luna & Glushon and the firm's Legislative Affairs Liaison.

Commencing with the next issue of *Landman2* publication, Mike Flores will be writing the California Field Report. The Field Report, which details landmen and oil/gas activity in designated geographic regions, had not previously included California as a geographic reporting region. With the addition of California, Mike asks members to send him any information they feel is relevant and also to be on the alert to him contacting you individually.

The California oil patch is certainly delighted to have representation in the Landman2 magazine.



Treasurer's Report

As of 03/01/2012, the LAAPL account showed a balance of	\$ 10,985.77
Deposits	\$ 550.00
Total Checks, Withdrawals, Transfers	\$ 267.59
Balance as of 4/30/2009	\$ 11,268.18
Merrill Lynch Money Account shows a total	\$11,096.90

New Members and Transfers

Jason Downs, Membership Chair

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 and government, community and industry on energy-related issues.

Wayne A. Bissett

Associate Member
Independent
P.O. Box 2101
Midland, TX 79702
Business Phone: (432) 685-3296
Mobile: (432) 559-0220
bissett@geospectrum.com

Josh Baker, Esq.,

Day Carter Murphy LLP 3620 American River Dr., #205 Sacramento, CA 95864 Business Phone: 916-570-2500, x108 Fax: 916-570-2525 jbaker@daycartermurphy.com

Transfers

Cliff Clement
Third Planet Windpower, LLC
To

Cliff Clement, Independent

1978 Regulus Court Livermore, CA 94550 929-292-1099 Cesooner3@comcast.net

Corrections

None to report

SoCalGas Awards \$2.7 Million to Windset Farms for Designing Energy-efficient Greenhouse Facility

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Saving energy with "green" tomatoes

Demonstrating that energy efficiency can result in significant savings, Windset Farms in Santa Maria, Calif., received a \$2.7 million incentive check from Southern California Gas Co. (SoCalGas) for its initiative to conserve energy and resources. The award is the largest energy efficiency incentive the utility has awarded to a customer in its 145 year history.

Windset Farms is projected to save over \$1.6 million and in excess of three million therms of natural gas annually, as a result of the successful construction and design of a state of the art energy-efficient greenhouse facility which grows vegetables year round. The produce company benefitted from SoCalGas' energy efficiency custom calculated program, which offers commercial and industrial customers with energy efficiency design assistance and financial incentives to help offset upfront capital costs.

Working together

"We worked with Windset Farms' design team early in the design process to evaluate and integrate energy-efficient strategies into the facility," said Jeff Catanzaro, account executive in Northern Region. "We developed a greenhouse system approach and installed hot water tank insulation, thermal heat curtains, high efficiency hot water boilers and an ultraclimate high-performance air distribution system to keep the greenhouse at a desired operation temperature of 77 degrees Fahrenheit. Rather than sending the boiler exhaust to the atmosphere, the warm heat is directed to the greenhouse interior to increase plant growth. This method, called carbon dioxide (CO2) dosing, reduces heating costs and cuts down on emitted greenhouse gases."

Benefits of energy efficiency

Windset Farms had been investigating the benefits of implementing energy efficiency measures from other greenhouse facilities around the world. SoCalGas played a major role in achieving their success and being instrumental in helping Windset Farms gain the knowledge and confidence to move forward with the project and realize their green sustainable vision.

Phase one of the project was completed in late 2011 and consisted of approximately three million square feet of greenhouse space plus Windset Farm's headquarters, storage and shipping facilities. Phases two and three are scheduled to be built within the next two years and will consist of an additional 1.5 million square feet of greenhouse space for each phase.



13030 Inglewood Avenue, Suite 105 Hawthorne, CA 90250-5177 310-349-0051 petrolandservice@aol.com THE LAW FIRM OF

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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
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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.



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Venoco is an independent energy company engaged in the acquisition, development, and exploration of oil and natural gas **CONTACTS:** properties primarily in California. The company was founded in 1992 in Carpinteria, California and has grown to be one of the largest Thomas E. Clark, RPL, independent producers of oil and natural gas in California. Executive Land Manager Patrick T. Moran, RPL, Senior Land Negotiator Wes Marshall, CPL, Land Manager Unconventional Resources Craig Blancett, **Corporate Office** VENOCO, INC Land Manager Sacramento Basin Denver, Colorado www.venocoinc.com (303) 626-8300 Sharon Logan, CPL, Senior Landman **Regional Office** Carpinteria, California Harry Harper, CPL, (805) 745-2100 Senior Land Manager Special Projects "Venoco will celebrate 20 years in business in 2012 and I continue to be enthusiastic about the industry and the future of the company. Our employees are a dynamic, experienced, and engaged group who take great pride in making Venoco better. They, along with a solid base of long-lived assets, great oppOrtunity in the Monterey Shale and legacy assets, make our future look bright." ~Tim Marquez, Founder and Chairman

Guest Article

A TITAN FALLS

(Rindge Company et al v. Los Angeles County)

By: Larry Stevens, SR/WA

Long before there was a Kelo v New London case heard before the U.S. Supreme Court, and almost before there were cars in Southern California, there was a challenge to the public's right to take land for public highways in Southern California. The case was filed by the County of Los Angeles against May Rindge, the owner of Rancho Topanga Malibu Sequit (or Rancho Malibu) property that stretched along a rugged, isolated, and breathtaking 22-mile coastline northerly of Santa Monica, with the expressed intent of extending an existing public highway northerly across the ranch to the Ventura County line. With public access restricted to the soft sand of low tide, the County decided that a more direct and feasible coastal route to Ventura was required. Isolated as it was, the Rancho was run more like a medieval fiefdom built on a model of self-sufficiency, which included its own railroad, wharf and dam for water. Despite a public persona of wealth, charm and generosity May Rindge guarded her property rights jealously with fence lines patrolled by armed vaqueros whose instructions were to stop intruders even if deadly force might be required. Regardless of rumors of interlopers disappearing, I was not able to find any concrete evidence that would support such gossip – certainly missing person reports would have been filed, investigations conducted and charges brought if such reports were true. But such fanciful allegations remained an integral part of the legend of Rancho Malibu. However, documentation does exist that the ranch remained under attack by "homesteaders" who continually challenged the validity of the Spanish land grant; one such case removed 132 trespassers.



But I am ahead of the story; we need to go back to the beginning: who were the Rindges and what brought them and their company before the U.S. Supreme Court?

Let's begin with the Rindge family. Frederick Hastings Rindge was the sole survivor of six siblings of the Rindge family in Cambridge, Massachusetts and in 1883 inherited his father's estate valued in the range of \$2 million. Four years later he married 22-year old Rhoda May Knight and having funded a new Cambridge public library, City Hall and a Manual Training School, the Rindge's inexplicably (Rindge's poor health forced him to leave Harvard in his senior year, but this was years before) packed their bags and moved to Los Angeles, leaving behind friends, the Rindge family mansion and their prodigious social status in the community.

Perhaps lured by the completion of two railroad lines, mercurial advertisements or perhaps the taste of Southern California oranges, the Rindge's quickly settled into the brash, budding boomtown of Los Angeles and in 1892 bought the 13,300-acre Rancho Malibu at the fabulous price of \$10 per acre, which expanded over time to 17,000 acres. With the buying of the rancho, Mr. Rindge realized his dream of an idyllic home in the country: "A farm near the ocean, under the lee of the mountains, with a trout brook, wild trees, a lake, good soil, and excellent climate, one not too hot in summer." Rindge built a ranch house in Malibu Canyon, raised cattle and grain but apparently was not fully challenged by ranch operations as he joined a consortium in founding the Conservative Life Insurance Company (now Pacific Mutual) in May, 1900, and shortly afterward became the vice president of Union Oil and a director of the Los Angeles Edison Company (later the Southern California Edison Company). With his rising fortunes, he continued buying new land holdings in Stockton, the San Fernando Valley, and even in Sinaloa, Mexico. But his dream of a "kingdom by the sea" was dashed when a brush fire raged across the ranch destroying much of the ranch including burning the ranch house to the ground. The family moved to tent cabins and before a replacement house could be completed Fredrick Rindge died prematurely at the age of 48 in 1905.

<u>Titan</u> <u>continued from page 9</u>



The Rindge Family - May Knight Rindge, Rhoda Agatha Rindge, Samuel Knight Rindge, Frederick Hastings Rindge, Frederick Hasting Rindge, Jr. circa 1900

With Frederick's death May Rindge, a grieving widow with three teenage children, took over the management of the ranch, and was quickly dubbed, not all that charitably, by the press as the "Queen of the Malibu."

It is here that our story really begins. Lynn Bowman characterized the future course of events in her book Los Angeles: Epic of a City – "Never again was the rancho a place of tranquil contentment." Probably not a recluse in that May allowed neighbors to have keys to the ranch's locked gates; her life and focus were on the ranch operations, running it with a will of iron. Losses of 30 to 50% of the newborn unbranded livestock to thieves and poachers and fires from careless intruding campers eventually lead to her discouragement of public access and ultimately to formidable and guarded locked gates to prevent trespassers from entering. May, not shy to hold onto

what was hers, frequently drove along the ranch roads with a pistol in a holster.

Shortly before Frederick's death, Southern Pacific Railroad applied to the Interstate Commerce Commission to build tracks across Rancho Malibu between the Long Wharf in Santa Monica and its northern tracks in Santa Barbara. The Rindges' opposed this move and in 1905 using a loophole in the ICC's law preventing the condemnation of parallel rights of way, May began construction of 15 miles of tracks that she called the Hueneme, Malibu and Port of Los Angeles Railway. It was completed in 1908, and although it never connected with the Port of Los Angeles, it continued to ship grains and hides from ranch operations to the Malibu Pier until it fell into disuse in the 1920's. Ms. Rindge had proved quite adept at taking on the railroad "octopus" and sending its hounds home with their tails between their legs.

This was, however, only the first "public use" shot fired across the bow of Rancho Malibu, the Rindge family and the Rindge Company. With the continued burgeoning of Southern California population and increased demand for transportation systems that would connect far-flung farming communities to the city, local officials began to cast covetous eyes toward Rancho Malibu and the need to connect the "truck" farmers of coastal Ventura County with their markets in downtown Los Angeles.

Early efforts to acquire the necessary rights of way, both by the county and the state, were eschewed and finally in 1916 and 1917 – over eight years after discussions were initiated – a frustrated government



and public, brought the matter before the Los Angeles Board of Supervisors who found in favor of "public necessity" and authorized court actions to obtain the required rights of way. For 15 years the battle raged – four times a court action went to the California Supreme Court and twice it was heard by the U.S. Supreme Court.

¹According to the Malibu City website the property was purchased in 1887, which conflicts with the 1892 shown in Lyn Bowman's Los Angeles: Epic of a City. The immediate purchase of such a land holding might seem a bit rash for a newcomer to Southern California, but in 1887, when the Rindge's arrived, the Southland was in the midst of a real estate buying frenzy with some prime properties changing hands twice or even three times in a day. With shades of more recent real estate booms "new subdivisions were announced by bands, parades and elephants and other animals . . . [and potential buyers were] induced to drive out to new subdivisions; transportation and lunch were free," (Los Angeles: Epic of a City, page 184); it wouldn't be hard for the Rindge's to have been caught up in such "contagion of optimism".

<u>Titan</u> <u>continued from page 10</u>

The Rindge Company attorneys, no doubt at May's prompting, fought the case on a number of legal and constitutional fronts, most ended up dropping by the wayside as "special defenses"; only two issues remained when the case ultimately went before the U.S. Supreme Court. The special defenses, while not fully elaborated in any of the source material may have involved what they perceived as administrative irregularities associated with the resolution of necessity and vastly varying approaches to valuation and damages – after all Mrs. Rindge wanted \$9,180,000 for the taking as opposed to the final settlement amount of \$107,289.

On April 26, 1923, attorneys for the County of Los Angeles and the Rindge family, now referred to as The Marblehead Land Company (named for the Rindge ancestral home town in Massachusetts), made their respective cases before the William Howard Taft lead court.

The issues:

1. Was the taking an authorized public use?

The plaintiff's position: Even the ranch's attorneys had to concede that a "genuine highway . . . adapted as a convenience or necessity for public use and travel, is a public use." However, they claimed that "these particular roads" were highways in name only "shams under the name of public improvements" The roads, especially the one paralleling the coast terminated within the ranch boundaries and did not connect to any other roads at the ranch's western or northern ends. In other words, it was a road to nowhere.

The defendant's position: The County maintained that the road had several public purposes, including better access to the ranch property, better access for owners who used the ranch's internal roads for access to public roads and its construction would provide a means for the public to enjoy "a scenic highway of great beauty."

The Court's findings: The court held that whether the use, public or private, was ultimately a judicial question, they felt compelled to be "influenced by local conditions" when enforcing the Fourteenth Amendment. The court said that when "enforcing the Fourteenth Amendment [the court] should keep in view the diversity of such conditions and regard with great respect the judgments of state courts upon what should be deemed public uses in any state." They did recognize that the taking of property for highways had been "universally recognized, from time immemorial." And acknowledged that California Code specifically declared "highways' to be 'public uses' for which the right of eminent domain may be exercised."

Having somewhat demurred to the state and county to determine what constitute a "public use," the court went on gathering up nails to pound the coffin shut. Since the ranch had taken the position that the highway was a "sham", the court felt compelled to respond. They held that the people on the ranch would have the use of the road, those with no adequate outlet except through private roads would have access, and "people to the eastward in Santa Monica, Los Angeles and other cities will have access to them." And for me the best quote on the topic: "It is not essential that the entire community, nor even any considerable portion, should directly enjoy or participate in an improvement in order to constitute a public use." They likened the county's failure to connect with a Ventura County road with a state that terminated a highway at the state line (Rice v. Rindge, 53 N.H. 530, 531 – hum, I wonder if there is a relation here?). They also contended that it was "manifest" that public road systems must "frequently be constructed in installments." And, finally,

... aside from these considerations, these roads, especially the main road, through its connection with the public road coming along the shore from Santa Monica, will afford a highway for persons desiring to travel along the shore to the county line, with a view of the ocean on one side, and the mountain range on the other, constituting . . . a scenic highway of great beauty. Public uses are not limited, in the modern view, to matters of mere business necessity and ordinary convenience, but may extend to matter of public health, recreation and enjoyment. . . . A road need not be for a purpose of business to create a public exigency; air, exercise and recreation are important to the general health and welfare; pleasure travel may be accommodated as well as business travel; and highways may be condemned to places of pleasing natural scenery. (Rindge Co. v. County of Los Angeles, 262 U.S. 700 (1923))

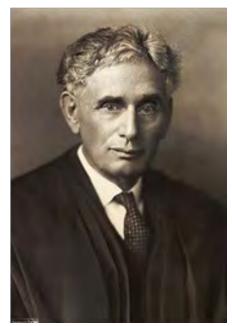
This finding came as a bit of a shock to me although it probably shouldn't have since three of our nation's great "progressives" were seated on the court: Oliver Wendell Holmes, William Brandeis and William Howard Taft as chief justice.

<u>Titan</u>

<u>Titan</u> <u>continued from page 11</u>







2. Was there a public necessity for the taking?

The plaintiff's position: The attorneys for May Rindge made a two prong contention on the provisions of the Fourteenth Amendment; first, "No state shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States," and second, that they had been deprived of their right to "property" without the "due process." Apparently because there was no provision for a hearing in the state law provisions, and therefore no notice prior to adopting the resolution of necessity, they felt they could challenge for defective law, insufficient showing of necessity and an abridgement of their constitutional rights.

The defendant's position: The County took the simple position that the resolutions passed by the County Supervisors were "conclusive evidence" as to a finding of public necessity for the highways and the state law stood on its own merits.

The Court's findings: The court agreed with the County attorney that the Supervisors' adoption of the resolution by a two-thirds vote was "prima facie evidence" that the owner had not been denied due process. The court agreed with the trial judge that introducing the Supervisors vote was not prejudicial to the ranch owner. The Supremes deftly side-stepped the issue by ruling that this was "a matter of state law . . . the resolutions of the Board of Supervisors [were] conclusive evidence as the necessity of the taking . . . [and] The necessity for appropriating private property for public use is not a judicial question" – "This power resides in the Legislature . . . or delegated . . . to public officers."

Case held: AFFIRMED

As one can readily see this was a long grueling battle. But with the delivery of the opinion by Justice Sanford on June 11, 1923, it was clear that the government's First Amendment right to take private property for public purposes remained intact, the needs of the public were found to be paramount to the rights of the individual and the Court's deference to state's rights was affirmed. The attorneys for the ranch had fought nothing more than a 15-year campaign of delay, ultimately it was the people and the government who prevailed in this war of attrition. May Rindge lost on all points of the law; "public necessity", the validity of the highway's "public use" and that California state laws authorized local agencies to condemn. Perhaps the deepest wound came when Mrs. Rindge's demand for \$9,180,000 was severely trimmed in the 1925 final award to \$107,289. Despite Mrs. Rindge's best efforts to stop the public's legal intrusion into her "kingdom" and her hope to maintain the last Spanish land grant rancho intact, the loss made it abundantly clear that the "Queen of the Malibu" would never again be sole owner of this stretch of coastline.

The story could end here, and perhaps for some of you, this may be enough. But I found myself deep into the story and compelled to follow the slippery slope of this Greek tragedy through to its final scene.

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Surveyors, bulldozers and an army of workers descended on the ranch and by 1928, a wide highway opened the spectacular coastline to the public. Mrs. Rindge redoubled her efforts to protect what remained rightfully hers, the ranch, constructing high fences, fighting off squatters and maintaining the fence line patrols.

All the years of litigation, compounded by escalating ranch expenses, a failure to recognize the sea-change in Southern California land use and demand, the reconstruction of the old ranch house into a grand castle on the hill, had all contributed to the ranch's growing financial problems. Construction costs for the house alone ran over a half million dollars in lumber,

concrete, marble, tile and hand-carved mahogany between 1929 and 1932. May Rindge was forced to admit that the ranch was no longer viable and if she did not take steps to find new revenue sources, it would not survive.

It is interesting to note that it was to that which she had fought so long to prevent that Mrs. Rindge sought salvation – the Pacific Coast Highway. The improved access allowed her to reluctantly agree to leasing portions of her ocean front property, although she balked at the thought of sale. Even though she granted only 10-year leases, the Hollywood crowd, lead by John Gilbert, Ronald Coleman and Corinne Griffith, to mention but a few, flocked to build expensive homes in what would come to be known as the Malibu Colony. A narrow road, a gatekeeper who barred all but residents and those visitors whose names were left with him and a lack of phone service made this an extremely secluded playground for the rich and famous – on a smaller scale but much the same as the environment the Rindges sought when they bought the ranch. Also, availing herself of the new highway, Mrs. Rindge abandoned her private railroad in order to conserve money. And finally, acknowledging the strong demand for decorative tiles for the Mediterranean and Spanish homes being built throughout Southern California, the ranch's abundance of red and buff clays together with plentiful water, Mrs. Rindge Los Angeles City Hall - Malibu established Malibu Potteries in 1926. Customers, using the newly completed highway, Potteries tiles



flocked to the factory to place their orders, including someone named Simon Rodia who as a worker trucked off the shards of tile that he in part fashioned into the Rodia Towers (also known as the Watts Towers). Although the factory produced tiles predominantly for the Southern California market, the factory artisans fashioned tiles to be shipped worldwide (if you're interested in a grand example of the Malibu Potteries custom work, you can find 23 large 1928 "neoclassical modern" tile panels in the Los Angeles City Hall).



Rodia (Watts) Towers

With the gathering clouds of the Great Depression, the ranch's fortunes steadily declined. The Malibu Potteries factory closed its doors for the last time in 1932, construction on the Rindge Castle on "Laudamus Hill" ceased, never to be finished, and The Marblehead Land Company, no longer able to meet expenses, filed a petition for bankruptcy in 1936.

The company was reorganized, the ranch land divided into various categories - such as ocean-front lots, acreage for small ranches, land appropriate for hotels, etc. – and in 1940 the entire ranch went up for sale.

Her world in tatters, her precious land continuing to teeter in insolvency, practically penniless and no doubt suffering from a broken heart at the loss of her "American Riviera," May Rindge passed away on February 8, 1941 at the age of

76. Though defeated by the pressures of population, progress and shifting economics, May K. Rindge left a legacy of an "indefatigable spirit" with great courage.

Postscript: It wasn't until June of 1951 that the final debts of The Marblehead Land Company were paid. The final 4,000 acres (of the original 17,000) reverted to the Marblehead Land Company, headed by Rhoda Agatha Rindge Adamson, May's only daughter. For some of you old timers, you may pick up on the name Rhoda as the reciprocal of Titan

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the local dairy icon – Adohr Creamery Company. Rhoda met Merritt Huntley Adamson, Sr. who, after attending the USC School of Law and passing the bar, followed his heart rather than his education becoming Superintendent of the Malibu Ranch. Both Rhoda and Merritt's interest centered on animal husbandry and dairying, and shortly after their marriage they founded the Adohr Stock Farm, named after their oldest daughter Rhoda-May, who became the first "Adohr-able Baby" for their advertising campaign. Rhoda continued in her mother's footsteps and capably led the Marblehead Land Company until her death in 1962. The family businesses are now operated by her three heirs under the name The Adamson Companies.

- ² The unfinished "castle" together with 26 acres along with thousands of Malibu Potteries tiles, stored in crates, were sold in 1942 to the Franciscan Order for \$50,000 to become the Serra Retreat House. Sadly, in 1970 the house and its irreplaceable tiles were consumed in a catastrophic brush fire pushed by the dreaded "Santa Ana" winds described by Mr. Rindge in his book Happy Days in Southern California: "... the fierce autumn wind storms, – dreaded, to be sure, but zephyrs, compared with cyclones. Three days they blow, and often precede the rain." The Order rebuilt and continues to operate the retreat, but with so much lost, it is only a shadow of the Rindge's vision.
- ³ "You, God, (we praise)" an early Christian hymn of praise.
- ⁴ Los Angeles: Epic of a City by Lynn Bowman, copyright 1974, p. 277





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Case Of The Month - Right of Way

Supreme Court Upholds Law Ending Redevelopment in California

By Bradford B. Kuhn, Esq., Law Firm of Nossaman LLP All Rights Reserved



When Governor Brown took office earlier this year, he was faced with a massive budget deficit – to the tune of \$25 billion. While he considered a variety of measures to reduce California's glaring budget problem, Governor Brown – like many of his predecessors – ultimately turned to the pockets of redevelopment agencies to narrow the gap. In January, he proposed completely eliminating redevelopment agencies, but he could not garner enough legislative support. Months later, Governor Brown and the Legislature finally reached a compromise, enacting two bills, ABX1 26 and ABX1 27. The first eliminated redevelopment agencies, while the second provided for the agencies' reinstatement upon their transferring to local school districts money (\$1.7 billion this year and about \$400 million annually thereafter) that the State would have otherwise been obligated to pay.

Declaring the laws an illegal "ransom" scheme, the California Redevelopment Association and the League of Cities challenged them in a lawsuit filed directly in the California Supreme Court, California Redevelopment Assn. v. Matosantos. While many redevelopment agencies intended to make the required payments, they figured they'd take a shot: either (1) the Court would uphold the bills, in which case redevelopment would proceed subject to the annual payments, or (2) the Court would declare the bills unconstitutional, and redevelopment would proceed as normal. But there was a devastating potential third option: the Court could uphold ABX1 26 while striking down AB1X 27. As the case proceeded in the Supreme Court, this "worst case" scenario started to look more and more likely.

Yesterday, the Court issued its opinion, and the outcome was the nightmare redevelopment agencies feared most. The Court upheld ABX1 26, allowing the dissolution of California's redevelopment agencies to proceed, but struck down ABX1 27, the "voluntary" buy back program that would have allowed redevelopment to continue. In particular:

- (1) The Court had little difficulty upholding ABX1 26, the law eliminating California's redevelopment agencies. The Court reasoned that because redevelopment agencies were created by the Legislature, the Legislature could also eliminate them: "A corollary of the legislative power to make new laws is the power to abrogate existing ones. What the Legislature has enacted, it may repeal."
- (2) When it came to ABX1 27, the Court felt differently. All but Chief Justice Cantil-Sakauye concluded that the "voluntary payment" portions of ABX1 27 run afoul of Proposition 22, adopted by voters in November 2010. The Court further concluded that the balance of ABX1 27 was not severable from the improper payment provisions, and the Court struck down ABX1 27 in its entirety.

How We Got Here: After announcing in January 2011 plans to eliminate California's redevelopment agencies as a means of helping to balance California's floundering budget, Governor Brown finally got his wish in July, with the adoption of ABX1 26 and ABX1 27. Unless agencies opted to participate in the "Alternative Voluntary Redevelopment Program" under ABX1 27, as of October 1, 2011, all redevelopment agencies were to be dissolved.

Within weeks, the California Redevelopment Association responded, filing a lawsuit challenging the laws directly in the California Supreme Court. Though the CRA raised several arguments, the one that garnered the most attention was the claim that the laws violated Proposition 22 by creating an illegal shift in property tax revenues away from redevelopment agencies. The CRA also argued that the two laws were inextricably intertwined, presumably knowing that the Proposition 22 argument was strongest as an attack on ABX1 27.

In August, the Supreme Court accepted jurisdiction over the case and granted a partial stay of the new laws. Shortly thereafter, the Court announced plans to hear oral argument in November, with a commitment to issue its decision prior to the January 15, 2012, cutoff date for agencies making their first reinstatement payments under ABX1 27.

At the oral argument in November, the Court seemed to focus on three issues:

1. The fact that redevelopment agencies were created initially by the Legislature, which would, absent some constitutional prohibition, mean that the Legislature could also abolish them.

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- 2. The fact that the "voluntary" payments under ABX1 27 were not particularly voluntary, since failure to make them meant the redevelopment agency would be eliminated. And, if not voluntary, the payments seemed to run afoul of Proposition 22.
- 3. The question of whether the two laws were so intertwined that striking down one (presumably, ABX1 27) would necessitate striking down both.
- 4. The Decision: Much as it telegraphed during oral argument, the Supreme Court started by concluding that ABX1 26 the dissolution bill passed constitutional muster. Rejecting the argument that Proposition 22 created a constitutional right for redevelopment agencies to exist, the Court explained:

The constitutionalization of a political subdivision the alteration of a local government entity from a statutory creation existing only at the pleasure of the sovereign state to a constitutional creation with life and powers of independent origin and standing -- would represent a profound change in the structure of state government.

In reviewing Proposition 22, the Court found no discussion of redevelopment agencies taking on constitutional stature, and without some explicit mention of such a profound shift in the law, the Court would not imply any such intent. As the Court so eloquently summarized, the drafters of legislation do "not, one might say, hide elephants in mouseholes."

The Court then moved on to ABX1 27, focusing its attention on the "voluntary" payment program. The Court concluded that ABX1 27 was substantively indistinguishable from earlier efforts by the State to shift property tax increment from redevelopment agencies to the State's educational revenue augmentation funds ("ERAFs"). "Like all prior ERAF legislation, [Assembly Bill 1X 27] operates as a levy on the receipt of tax increment funds."

The Court then put the nail in the ABX1 27 coffin: "A condition that must be satisfied in order for any redevelopment agency to operate is not an option but a requirement. Such absolute requirements Proposition 22 forbids."

With respect to AB1X 27, Chief Justice Cantil-Sakauye disagreed with the majority, concluding that Proposition 22 forbids only payments required of the redevelopment agencies themselves, and since ABX1 27 contemplates payments by the agencies' community sponsors, it survived a facial constitutional challenge. Unfortunately for redevelopment agencies, the other Justices concluded that this technicality missed the mark because the same argument could be made of virtually every recent ERAF shift. This means (in the Majority's view) that the Chief Justice's interpretation would render Proposition 22 essentially meaningless. The Court struck down ABX1 27.

Finally, the Court turned to the severability question, needing to decide whether ABX1 26 could stand alone, or whether it must fall given ABX1 27's fate. The Court had no trouble with grammatical and mechanical severability – i.e., it readily found that the two laws could be separated from one another. Volitional severability was the key question: would the Legislature have intended ABX1 26 to stand if it knew that ABX1 27 would be invalidated? The Court responded to claims that a number of legislators had reportedly opined that the Legislature would NOT have wanted such an outcome by looking at the statute's specific severability clause stating the opposite, concluding that

whatever individual legislators may have said at one point or another, what the Legislature actually did establishes it would have passed [ABX1 26] irrespective of the passage of [ABX1 27], and that [ABX1 26] is volitionally separable. Consequently, it is severable.

Thus, the Court's final conclusion: ABX1 26 stands, while ABX1 27 falls.

What Happens Next: the Mechanics? The Court examined some of the mechanics of ABX1 26's implementation in light of the partial stay and the passage of time that has rendered some of the law's time frames impossible. The Court concluded that it has the power to reform the law, and it chose a superficially simple solution: all initial dates in ABX1 26 are shifted four months, representing the time period during which the Supreme Court's partial stay was in place. Thus:

- Generally speaking, the provisions in part 1.85 (the portion of the law that dissolves redevelopment agencies) become operative on February 1, 2012, rather than October 1, 2011;
- The draft obligation payment schedules due on November 1, 2011, under Health & Safety Code section 34177, subdivision (1)(2)(A), are now due March 1, 2012; and
- Successorship agency board membership, required to be determined by January 1, 2012 under section 34179, subd.
 (a), must be complete by May 1, 2012.

 ROW Case

ROW Case continued on page 17

ROW Case

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But there is a twist. For any obligations that span multiple fiscal years, the Court did not reform the deadlines. Instead, only those trigger dates which fall before May 1, 2012, get shifted. This means, for example, that for the distributions required to be made on January 16 and June 1 every year pursuant to section 34185, the January 16, 2012, distribution is now due May 16, 2012, but the June 1, 2012, distribution (and all future distributions) remain due as set forth in ABX1 26.

What Happens Next: Implementation? Moving beyond the technical issues, the real question is what happens to redevelopment obligations and assets. This will be the subject of considerable discussion in upcoming weeks, but there are a few, bright-line rules people should know:

- 1. For obligations incurred prior to January 1, 2011, the obligations remain valid and binding. The successor agencies, once established, will be charged with managing those obligations and making all required bond payments until the bonds are satisfied.
- 2. For deals under negotiation when the Supreme Court stay was issued, the redevelopment agencies have no power to consummate the deals. Redevelopment agencies cannot issue or sell bonds, incur new indebtedness, acquire or dispose of real property, enter into new contracts, etc. between now and their February 1, 2012, dissolution.
- 3. Remaining redevelopment assets will be sold. Initially, money raised from the sale of assets will be used to satisfy existing obligations. After meeting existing obligations, additional monies raised by the disposition of assets will be treated like other property tax proceeds for disbursement to other agencies.
- 4. If the agency transferred any assets to its city/county or another public agency after January 1, 2011, the transfer is potentially subject to ABX1 26's "claw back" provisions. ABX1 26 contains a provision that allows the State Controller to seek to rescind any 2011 deal between a redevelopment agency and another public agency, recapturing the assets involved in any transfer.

This last provision is likely to generate considerable debate. When Governor Brown first proposed eliminating redevelopment agencies in January 2011, many agencies quickly took steps to insulate their assets from any adverse legislation. In the six months between the January announcement and the July 1 adoption of ABX1 26, untold millions of dollars in property and other assets were transferred back to the underlying cities/counties. In response, the Legislature included ABX1 26's "claw-back" provisions.

What Happens Next: a Legislative Compromise? Finally, entering into the realm of pure speculation, there is already some murmuring about a possible legislative compromise designed to reinstate some form of redevelopment. Whether any such compromise sees the light of day remains to be seen. And even if it does, considerable obstacles may exist.

In particular, any legislative effort to reinstate some form of redevelopment must overcome the very problem that led to the demise of ABX1 27: how to fund "Redevelopment 2.0" without running afoul of Proposition 22. Moreover, a legislative compromise only works if the Governor approves it, and Governor Brown's early comments do not suggest he is dissatisfied with the Court's holding. *Mr. Kuhn can be reached at bkuhn@nossaman.com*.

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Case Of The Month - Oil & Gas

City Council Successfully Negotiates Settlement In MacPherson Lawsuit Agreement Removes Financial Threat to City; Gives Voters Choices

For Immediate Release – City of Hermosa Beach
March 2, 2012.

HERMOSA BEACH, CA– An unanimous Hermosa Beach City Council announced an agreement on Friday that resolves a 14-year legal battle between the city and Macpherson Oil Co. and avoids the potential for a financially devastating verdict in an upcoming jury trial scheduled for next month.

The agreement ends the Macpherson Oil Co. lawsuit seeking \$750 million from the city for allegedly lost oil drilling profits, limits the city's maximum exposure to a cap of \$17.5 million and submits to the voters a proposal to allow an oil drilling project that could ultimately result in no expenditure of the city's tax revenues.

"The city had attempted to settle this case many times. Today, we have succeeded, and this lawsuit is over and done with," said Mayor Howard Fishman. "The City Council unanimously voted to enter into this agreement because the risk to the city's ability to provide services to our residents and businesses was just too great."

"With stakes as high as these, even a relatively strong case has to be evaluated skeptically and with the best interests of the residents and the future generations in mind. The council members all agreed that this settlement gives the city financial certainty and ends the costly appeals and litigation that would have continued, no matter how the jury trial turned out."

Macpherson Oil Co. sued the city in 1998 over the termination of its proposed oil drilling project at the city's maintenance yard. After 14 years of litigation, the case was set for jury trial in April.

Recently, Hermosa Beach Councilmember Kit Bobko, Councilmember Michael DiVirgilio and Macpherson Oil Co. began a dialogue about an innovative new settlement with a third party, another California-based energy company, E & B Natural Resources Management Corp. Negotiations proceeded with the full and continued approval of the entire City Council.

After extensive negotiations, Macpherson Oil Co. agreed to end its lawsuit against the city and assign all rights it has secured to an oil project in Hermosa Beach to E & B Natural Resources Management Corp. E & B Natural Resources Management Corp. will pay Macpherson Oil Co. \$30 million for those rights, including Macpherson Oil Co.'s existing Conditional Use Permit and lease. E & B Natural Resources Management Corp. also will secure payment from the city up to \$17.5 million based on the results of a future election.

At that election, Hermosa Beach voters will review a ballot and decide if they wish to repeal the existing ban on oil drilling in the city limits and enter into a development agreement for E & B Natural Resources Management Corp. to complete what it describes as a "state-of-the-art" oil drilling project at the city's maintenance yard.

"E&B is pleased to enter into this agreement with the City of Hermosa Beach," said Steve Layton, E & B Natural Resources Management Corp. president. "We believe E&B to be the perfect partner for the city in looking at this possibility, based upon our company's strong commitment to health, safety and environmental excellence in the development of oil reserves. We look forward to the citizens of Hermosa Beach getting better acquainted with us in the coming year and have great hope that we can earn their support for this mutually beneficial relationship."

If the voters reject the ballot measure, the city would owe E & B Natural Resources Management Corp. \$17.5 million. However, if the voters approve the ballot measure and E & B Natural Resources Management Corp. secures all the necessary permits to drill, the city would owe the company substantially less—\$3.5 million. If the project produces oil, the \$3.5 million would be paid from the city's revenues from the project, eliminating the need for the city to expend any tax revenues for the settlement.

The city's voters adopted an initiative in 1995 banning drilling in the city limits, which prevented Macpherson Oil Co. from going forward with its project. As part of this new settlement, E & B Natural Resources Management Corp. wants a chance to ask the voters if they want to keep that ban or allow the project. The Council agreed to put that question to the voters but only after a full environmental review.

"This settlement gives E & B Natural Resources an opportunity to make its case to the public and explain the royalties that the school district and the city could receive," said Mayor Fishman. "City voters will have a chance to interview, ask questions, and learn more to best evaluate the proposed project so an informed decision can be made."

Oil & Gas

Oil & Gas continued from page 18

Should the electorate decide to allow the project to go forward, the city would collect royalty payments on the gross sales of the oil produced by the project and would use a portion of its royalties to pay the \$3.5 million it would owe E & B Natural Resources Management Corp. under the agreement. The Hermosa Beach City School District would also collect additional revenues for the schools from the project.

The project will not go forward if it is not found to be safe. It must meet all applicable environmental standards to receive the permits it needs to operate. The City Council will conduct an environmental review of the project under the California Environmental Quality Act (CEQA), and the project must comply with CEQA before being placed on the ballot.

If the voters approve the project, it would then undergo extensive environmental and safety reviews from four different state and regional agencies, including the Coastal Commission and the State Lands Commission. Only after E & B Natural Resources Management Corp. has proven its operation is safe and meets all environmental standards would it receive its final permit from the city to drill.

"E & B's financial assistance and willingness to place the future of that investment in the hands of Hermosa Beach voters is unprecedented and greatly appreciated," said Mayor Fishman.

About Hermosa Beach

Founded in 1907, Hermosa Beach is known as "The Best Little Beach City." Named "Southern California's Greenest City" for its work to protect the environment, it is a thriving community of some 20,000 residents located on the southern end of Santa Monica Bay in Los Angeles County, and its beaches have been ranked among the best in the world. To learn more, please visit www.hermosabch.org.

About E&B Natural Resources

E&B Natural Resources is a California based independent oil and gas company with a strong commitment to health, safety and environmental excellence in California and throughout the United States. The company is committed to the employment of state-of-the-art technology, with sound and proven methods to support the protection of the environment and ensure the health and safety of its employees and the communities in which it operates. More information about E&B Natural Resources and its standards can be found at www.ebresources.com.



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March 15, 2012

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Again, thank you for your valuable contribution to our success. If you would like to contact me, I am available at the office number and would enjoy speaking with you.

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Stan Moe

Executive Director

cc: Bruce Conway

(In compliance with IRS Code 170(f)(8), this letter serves as verification that you received no goods or services from R.M. Pyles Boys Camp in consideration of your gift)

Educational Corner

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May 2012

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The Division Order Process

When: May 25th, 2012

Where: Denver, CO

Calculations Workshop

When: May 18th, 2012

Where: Denver, CO

CPL Recertification Credits: 7.0 CPL/ESA Ethics Credits: 0.0

Using a Landman and How to Value Oil and Mineral Interests

When: May 31st, 2012 Where: Downey, CA

8:00am – 9:00am (Registration at 7:30am)

Porto's Bakery and Cafe

Working Interest/ Net Revenue Interest Calculations Workshop

When: June 1, 2012 Where: Washington, PA

This institute is accredited by AAPL RL/RPL Continuing Education Credits: 6.0

CPL Recertification Credits: 6.0 CPL/ESA Ethics Credits: 0.0

June 2012

Working Interest/ Net Revenue Interest Calculations Workshop

When: June 8, 2012

Where: Oklahoma City, Ok

This institute is accredited by AAPL RL/RPL Continuing Education Credits: 6.0

CPL Recertification Credits: 6.0

CPL/ESA Ethics Credits: 0.0

AAPL 2012 Annual Meeting

When: June 13 - 16, 2012 Where: San Francisco, CA

This institute is accredited by AAPL

TBD

Oil, Gas and Mineral Land Titles

When: June 15, 2012 Where: Santa Barbara, CA

This institute is accredited by AAPL

RL/RPL Continuing Education Credits: 6.0 CPL Recertification Credits: 6.0

CPL/ESA Ethics Credits: 0.0

Educational Corner - (continued)

.....

JOA Seminar- Comprehensive Review of Operating Agreements and Well Trades

When: June 27 - 28, 2012 Where: Fort Worth, TX

This institute is accredited by AAPL

RL/RPL Continuing Education Credits: 14.0

CPL Recertification Credits: 14.0 CPL/ESA Ethics Credits: 0.0

Field Landman Seminar

When: June 29, 2012 Where: Denver, CO

When: July 12, 2012

Where: Dickinson, ND

This institute is accredited by AAPL

This institute is accredited by AAPL

CPL Recertification Credits: 7.0

CPL/ESA Ethics Credits: 1.0

RL/RPL Continuing Education Credits: 2.0

Fundamentals of Land Practices & RPL Exam

CPL Recertification Credits: 2.0

Oil and Gas Land Review, CPL Exam

When: June 27-30th, 2012 Where: Bakersfield, CA

This institute is accredited by AAPL

RL/RPL Continuing Education Credits: TBD

CPL Recertification Credits: TBD CPL/ESA Ethics Credits: 1.0

July 2012

Oil and Gas Land Review, CPL/RPL Exam

When: July 17, 2012 Where: Oklahoma City, OK

This institute is accredited by AAPL

RL/RPL Continuing Education Credits: 18.0

CPL Recertification Credits: 18.0 CPL/ESA Ethics Credits: 1.0

58th Annual Rocky Mountain Mineral Law Institute

RL/RPL Continuing Education Credits: 7.0

When: July 19-21st, 2012 Where: Newport, CA

Oil and Gas Title Workshop

When: August 3, 2012 Where: Oklahoma City, OK

This institute is accredited by AAPL

This institute is accredited by AAPL

CPL Recertification Credits: 7.0

CPL/ESA Ethics Credits: 1.0

RL/RPL Continuing Education Credits: 7.0

TBD

Principles of Field Land Practices

When: July 30, 2012 Where: Tulsa, Ok

This institute is accredited by AAPL

RL/RPL Continuing Education Credits: 14.0

CPL Recertification Credits: 14.0. CPL/ESA Ethics Credits: 1.0

August 2012

Oil and Gas Land Review, CPL/RPL Exam

When: August 7, 2012 Where: San Antonio, TX

This institute is accredited by AAPL

RL/RPL Continuing Education Credits: 18.0

CPL Recertification Credits: 18.0 CPL/ESA Ethics Credits: 1.0

JOA Workshop

When: August 15, 2012 Where: Oklahoma, OK

This institute is accredited by AAPL

RL/RPL Continuing Education Credits: 14.0

CPL Recertification Credits: 14.0 CPL/ESA Ethics Credits: 0.0

Fundamentals of Land Practices & Optional RPL

Exam

When: August 27, 2012 Where: Casper, WY

This institute is accredited by AAPL

RL/RPL Continuing Education Credits: 7.0

CPL Recertification Credits: 7.0 CPL/ESA Ethics Credits: 1.0

Educational Corner - (continued)

September 2012

Fundamentals of Land Practices & RPL Exam

When: September 7, 2012 Where: New Orleans, LA

This institute is accredited by AAPL RL/RPL Continuing Education Credits: 7.0

CPL Recertification Credits: 7.0 CPL/ESA Ethics Credits: 1.0

Santa Fe Land Institute

When: September 17, 2012 Where: Santa Fe, N.M.

This institute is accredited by AAPL RL/RPL Continuing Education Credits: 7.0

CPL Recertification Credits: 7.0 CPL/ESA Ethics Credits: 0.0

West Coast Land Institute

When: September 26-28th, 2012

Where: Dana Point, CA

This institute is accredited by AAPL

RL/RPL Continuing Education Credits: TBD

CPL Recertification Credits: TBD CPL/ESA Ethics Credits: 1.0

Texas Land Institute

When: September 11, 2012

Where: Houston, TX

This institute is accredited by AAPL RL/RPL Continuing Education Credits: 7.0

CPL Recertification Credits: 7.0

CPL/ESA Ethics Credits:

Texas Oil and Gas Land Review, CPL/RPL Exam

When: September 25, 2012

Where: Denver, CO

This institute is accredited by AAPL

RL/RPL Continuing Education Credits: 7.0

CPL Recertification Credits: 7.0 CPL/ESA Ethics Credits: 0.0

Continuing education credits are available via home-study. To receive credits for a home study course:

- 1. Download or print the course (PDF format)
- 2. Answer the questions
- 3. Submit the answers along with the appropriate fee Home Study Courses cost: \$7.50 per CE credit

#100 Environmental Awareness for Today's Land Professional

10 ESA, 10 CPL, 10 RPL (\$75)

#101 Due Diligence for Oil and Gas Properties

10 CPL, 10 RPL (\$75)

#102 The Outer Continental Shelf

5 CPL, 5 RPL (\$37.50)

#104 Of Teapot Dome, Wind River and Fort Chaffee: Federal Oil and Gas Resources

5 CPL, 5 RPL (\$37.50)

#105 Historic Origins of the U.S. Mining Laws and Proposals for Change

4 CPL, 4 RPL (\$30)

#106 Going Overseas: A Guide to Negotiating Energy Transactions with a Sovereign

4 CPL, 4 RPL (\$30)

#108 Water Quality Issues: Safe Drinking Water Act

(SDWA)/Clean Water Act (CWA)/Oil Pollution Act (OPA)

4 ESA, 4 CPL, 4 RPL (\$30)

#109 Common Law Environmental Issues and Liability for Unplugged Wells

4 ESA, 4 CPL, 4 RPL (\$30)

Ethics Courses

Two ethics courses are available (4 questions total @ \$15 per question answered). One (1) ethics point for each question answered.

#103 Ethics Home Study (van Loon) - 1 or 2 questions

#107 Ethics Home Study (Sinex) - 1 or 2 questions

AAPL Director's Meeting Notes - Yountville, CA - Sunday, March 18, 2012

Randall Taylor, Local AAPL Director

- The March board meeting was held at the Villagio Inn in Yountville, CA on Sunday, September 18, 2012. We had a large turnout of Directors, Committee Chairs and Committee Assistant Chairs.
- We continued with the informal Directors forum on Saturday morning where directors and committee chairs met for an open discussion on various topics of interest. Most of that discussion centered on NAPE, AAPL membership and the current state of the AAPL.
- During the board meeting, Marty reported that pre-registration for the upcoming annual meeting in San Francisco was running ahead of the previous year. He also advised of several issues on the legislative front that affects Landmen. Finally, Marty provided an initial overview of the recently concluded Winter NAPE.
- Houston Kauffman provided an update on the 2011-2012 financials reflecting a strong balance sheet with continued growth.
- Mike Curry made his final presentation to the board of proposed changes to the AAPL By-Laws. The board voted
 and approved the proposed changes with a recommendation that the membership review and approve same at the
 upcoming member meeting in San Francisco.
- Jim Dewbre presented the updated Strategic plan and it was approved by the board.
- David Miller of the Education Committee presented the blueprint for initiating web based learning and advised that the Education Committee would be conducting a test on April 24 to test two separate vendors of web based learning technology. He requested the board authorize the expenditure of \$10,000 for these tests and asked for volunteers to participate in the tests. The board approved the request for monies and several directors volunteered to participate in the tests.
- The Marketing Committee presented the new member mark to the board and after much discussion; it was approved for distribution to the membership.
- The Sub-Nominating Committee reported on the proposed candidates for officer positions for 2012-2013. The board approved the slate of candidates and authorized the AAPL to proceed with the election process with the results to be reported at the June meeting.
- Jim Dewbre and Marty Schardt made a presentation on Montreal as the site for the AAPL 2014 annual meeting. The board approved having the annual meeting in this location.
- The NAPE Operators committee reported on the recently concluded Winter NAPE and indicated that although it was highly successful, there were still opportunities for improvement.
- Finally, the Committee Chairs brought the directors up to date on their activities some of which are summarized as follows:
 - O Dora Soria, Chair of the Forms Committee, updated everyone on the work of the sub-committee led by Fred MacDonald on revising the current JOA to address horizontal drilling.
 - o John Raines, Chair of the Leg/Reg Committee, gave an update on all the various legislative issues going on in PA, MS, Ohio and MD.
 - o The Public Lands Committee advised that they were addressing the issue of the federal government proposed increase of royalty rates on federal leases.
 - o Monty Barnhill, Chair of the Ethics Committee, advised they have processed 25 cases so far this year as opposed to 4 last year. Most cases were considered minor in nature.
 - o The Awards Committee advised they selected recipients of this year's awards and they will be announced at the annual meeting in San Francisco.
 - o Robert Bergfeld, Jr., Chair of the Field Landman Committee reports that the Field Land seminars continue to be highly successful and that additional seminars have been added to this year's calendar.
 - o Mike Hinze, Chair of the Membership Committee, advised of the continued growth of the association (14,390) and requested approval from the board of a plan to extend the member sign up program currently employed at the FLS seminars to other educational events. The board approved this motion.
 - o Jeff Meyers, Chair of the Publications Committee, requested more substantive articles from the membership for the Landman magazine as this publication continues to grow.
 - o The Website/IT Committee announced that the new website would be launched on April 1st.

The board meeting was adjourned and all were encouraged to attend the annual meeting in San Francisco.

Guest Article

Indiana Natural Gas Boom

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The late 1880s discoveries of natural gas in Eaton and Portland ignited Indiana's historic gas boom, which would dramatically change the state's economy. The "Trenton Field" as it would become known, spread over 17 Indiana counties and 5,120 square miles. It was the largest natural gas field known in the world. Within three years, more than 200 companies were drilling, distributing, and selling natural gas.

In 1859, the same year that "Colonel" Edwin L. Drake drilled the country's first commercial oil well in Titusville, Pa., there were already 297 "manufactured gas" (known as coal gas) companies in the 33 United States.

In 1885, Andrew Carnegie said that the natural gas he used for steel making had replaced 10,000 tons of coal a day. Energy-dependent industries looked for promising locations. Cities and towns with natural gas

competed vigorously to attract new businesses.

Coal gas was produced in a distillation process that extracted it from bituminous coal. After further purification, ting coal gas was distributed via low-pressure street mains to consumers. Coal gas, also called "town gas," provided home illumination to almost five million customers.

Although natural gas was known to burn much cleaner, hotter, and more efficiently than coal gas, pre-Civil War technology made handling it far too dangerous for commercial applications. When drilling for oil, natural gas was often found – a colorless, odorless, highly flammable and unwelcome hazard.

Kerosene distilled from crude oil would fuel the country's lamps and lanterns at an affordable price. But while America's insatiable demand for kerosene built wooden derricks up and down the Allegheny River, and the coal gas business prospered, natural gas was just an impediment.

King Coal

After the Civil War, the great industrial cities of the North continued to expand and new manufacturing centers developed where natural resources and transportation met. Pittsburgh, Cleveland, and Toledo built coal-fired foundries and factories where iron, steel, and glass were produced in huge quantities for an expanding nation.

Throughout the Midwest, railroads brought new industries into what were once almost exclusively agrarian economies. New coal sources were much in demand. In 1876, W. W. Worthington, superintendent of the Ft. Wayne & Southern Railroad, and partner George Carter, an experienced quarry owner, set out to find coal. They bored a two-inch diameter test core only 50-feet from the railroad tracks in Eaton, Ind.

At a depth of 606 feet they ran into "an ill-smelling gas," that readily ignited, producing a two-foot high flame. It was a

natural gas deposit, suffused with malodorous sulfur content. Disappointed that there was no coal to be found, they capped the pipe and moved on. George Carter would return, but not until 10 years later.

Natural Gas Comes of Age

Pennsylvania's iron and steel blast furnaces offered the first large-scale industrial use of natural gas. Successful use there proved that natural gas could provide a decided competitive advantage to manufacturers with the good fortune to be located near a source.

In 1885, Andrew Carnegie said that the natural gas he used for steel making had replaced 10,000 tons of coal a day. Energy-dependent industries looked for promising locations. Cities and towns with natural gas competed vigorously to attract new businesses.

On January 20, 1886, Findlay Ohio's spectacular "Karg Well," came in with an initial flow of 12,000,000 cubic feet per day at a pressure so great it could not be brought under control. Its towering plume of fire burned for four months.



Indiana

continued from page 25

A hundred miles to the southwest, in Portland, Indiana, foundry owners Henry "Hank" Sees followed the dramatic news from Findlay. Sees was convinced that there was gas to be found in Portland as well. His enthusiasm eventually persuaded local investors, and in March 1886 they formed The Eureka Gas & Oil Co. to drill for gas in Portland.

On March 28, at a depth of 700 feet, they hit natural gas. The Portland Sun newspaper announced "NATURAL GAS!" and reported that, "A strong blaze shot up from six to eight feet and was allowed to burn for some time for the edification of the multitude who jostled about, fell over each other and crowded the derrick house..."

Eureka Gas & Oil Co. raised additional funds to drill another well a half-mile away. Drilling continued until a sudden and continuous rush of natural gas scrambled the crew to extinguish any nearby source of ignition. When the second well's gas was piped out from the derrick and safely lighted, it flamed 15-feet into the air. The well's output to be 100,000 cubic feet per day. Investors quickly formed The Portland Natural Gas & Oil Co. to continue drilling gas wells and pursue delivery to the town.

By April of 1887, five miles of main pipe was supplying natural gas to offices, residences and 50 large torches or "flambeaux"



for street lighting. That same month, local businessmen organized The Manufacturers' Gas & Oil Co. for the specific purpose of providing free gas to manufacturers as an incentive to locate their factories in Portland.

George W. Carter was among the thousands who traveled to Findlay, Ohio, in 1886 to see the famous Karg well. Carter was the quarry owner who had searched for coal unsuccessfully in Eaton, Ind., ten years prior. At the Karg well, he instantly recognized a disagreeable but familiar odor and declared, "That stuff smells like our coal mine!" Carter returned to Eaton determined to drill at the railroad site he and W.W. Worthington had once deemed worthless.

With the Ohio gas discoveries exciting speculation, Carter and Worthington convinced Ft. Wayne and Eaton investors of the long-

abandoned bore hole's potential. They established Eaton Mining & Gas Co. on Feb. 26, 1886. Drilling through the earlier 606-foot depth, they hit a strong flow of natural gas at 922 feet on the night of Sept. 15, 1886. With a two-inch pipe extended 18 feet above the derrick, the gas produced a huge flame, reportedly visible in Muncie, over ten miles away.

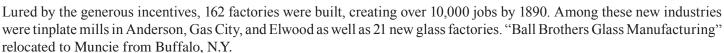
The discoveries of natural gas in Eaton and Portland ignited Indiana's historic gas boom that would change the state's

economy. As the scramble began, the Indianapolis News reported, "It's a poor town that can't muster enough money for a gas well..."

The "Trenton Field" as it would become known, spread over 17 east central Indiana counties and 5,120 square miles. It was the largest natural gas field known in the world. Within three years, over 200 companies in Indiana were exploring, drilling, distributing, and selling natural gas from more than 380 producing wells. Gas was so plentiful that customers were charged by the month or year rather than for a metered amount of gas.

The rapid growth and industrialization that Findlay, Portland, and Eaton experienced was repeated again and again in Indiana's "Gas Belt." Cities like Muncie, Kokomo, Anderson, and Marion competed to

attract new industries with offers of free natural gas, land, railway sidings, and tax credits.



As the gas boom continued, communities took great pride in what they thought to be their unlimited supply of natural gas. Estimated production in 1890 was almost 40 billion cubic feet. It became fashionable to erect arches Indiana of perforated iron pipe and let them burn brightly day and night for month after month. continued on page 27



There were calls for conservation, but they went largely unheeded. In 1893 the State Inspector of Natural Gas wrote, "The waste has been criminal and the day of repentance is fast approaching, and can only be delayed by practicing the most rigid economy and unrelaxed efforts in the husbandry of this valuable resource of our State."

Signs of the approaching crisis became increasingly evident.

Pressure at wellheads dropped. By 1902, pressure in the majority of the state's gas wells registered at only 80-90 psi. permitting saltwater intrusion. Increasing numbers of wells shut down. Many of the manufacturers who had come to Indiana for the ready supply of cheap Huge roadside flambeaux torches flamed continuously, energy either went out of business or had to move when their natural gas sources failed.

lost to plant closings in other manufacturing industries. National than 5,400 wells had been drilled in pursuit of Indiana's Tin Plate, Ames Shovel, Indiana Box, American Wire & Nail, Viehl



the horizon glowed with thousands of gaslights, and some reports said farmyards were so illuminated that Glass companies were particularly hard hit. Thousands of jobs were the chickens didn't know when to roost. By 1897, more natural gas.

Carriage, and Anderson Bottling all succumbed to the depletion of natural gas. Indiana's gas boom ended almost as quickly as it had begun. By 1913 Indiana was importing natural gas from West Virginia to meet demand. By 1920, Indiana had predominantly become a consumer rather than producer, of natural gas.

The gas boom was over.

The tumultuous days from first discovery of natural gas in Indiana to its precipitous depletion represent a dramatic and important stage in the state's industrial development. Manufacturing grew quickly to become a much larger part of the Indiana economy and is today a robust partner to agriculture and other industry. Perhaps more importantly, the consumption and waste so characteristic of Indiana's gas boom provided a lesson in the necessity to carefully manage the use of resources.





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LAAPL Legislative Affairs Update

By Olman J. Valverde, Esq., & Mike Flores, Co-Chairs, Legislative Affairs Committee Luna & Glushon

CARB Chair Announces Delay of Cap-and-Trade Auction

Chairwoman Mary Nichols announced that the first carbon permit auction will be pushed back to November 14, 2012. The revenue, considered a regulatory fee by CARB, is expected to exceed \$1 billion in the first year alone. As a regulatory fee, the revenue can only be legally spent on programs that further AB 32. However, the legislature sees the monies as assisting with reducing the budget deficit and the governor has indicated that the funds will be used, in part, to pay for the High Speed Rail System. Clearly, this is a battle in its infancy but will get very interesting as November approaches.

Additionally, CARB, has delayed the mandatory reporting deadline under Cap-and-Trade from April 10, 2012 to May 10, 2012. The delay was initiated by CIPA, who identified inconsistencies in the reporting process and was able to convince CARB to announce the delay.

SB 1054 by Senator Pavley Moves Forward

SB 1054, which expands the amount of notification a mineral rights owner needs to give before entering the surface, requires pre-notification of hydraulic fracturing operations, and lengthens the well review time for DOGGR from 10 to 15 days, has moved through the Natural Resources and Water Committee in early April. The bill will next go to the Senate Committee on Environmental Quality.

According to the stated opposition by WSPA and CIPA, the requirements are onerous and duplicative with burdensome disclosure requirements.....as the "critical part of oil and gas operations is already heavily regulated."

This legislation puts many requirements on the owner/operator that place a heavy burden not only re notification to a broad array of individuals, agencies (e.g. DOGGER, municipalities with jurisdiction) and other parties including the water supplier that uses the underground waters, but also must include information about the well and planned operations to each party being notified.

Decline in Voter Approval of AB 32

According to a poll conducted in late March by EMC Research, Inc., support for AB 32 has steadily declined from 63% in 2008 to 54% today. Additionally, the poll showed that voters expressed a growing unwillingness to pay more for gas, electricity, food and other consumer goods by 59% while only 39% indicated they were willing to pay more. Other findings included only 1% cited that the environment/global warming was the most important problem facing the state and the voters feel strongly that Californians should not be forced to pay more for gas, electricity and consumer goods while the rest of the country is not subject to the same regulations.

Oil Severance Tax Initiative Filed that will Provide Cash Payouts

An oil and gas tax initiative was filed in mid-April that would impose a 25 percent tax on the gross value of each barrel of oil and gas produced from California land or water and would use revenue from the tax to pay cash benefits to all tax payers with an adjusted gross income of \$95,000 or less. The cash payouts will be \$380 to taxpayers that fall under the income threshold while those in that are above the threshold, if over the age of 65, would receive \$50. The payouts would be overseen by the Franchise Tax Board. The measure, filed by a Robert T. Nast, was filed too late to qualify for the November 2012 election, but would appear in a future statewide ballot if he is able to collect enough valid signatures. By law, to qualify for a statewide initiative, the petitioners must collect 8% of the most recent gubernatorial vote, which for the 2010 election was slightly over 10 million.

Federal Draft Hydraulic Fracturing Regulations Released

The Bureau of Land Management (BLM), is proposing a rule to regulate hydraulic fracturing on public and Indian lands. The rule would (1) provide disclosure to the public of chemicals used in hydraulic fracturing on public and Indian lands, (2) strengthen regulations related to well-bore integrity, and (3) address issues related to flowback water. To view and comment on the proposal visit www.regulations.gov and follow the instructions.



The 2012 LAAPL Mickelson Golf Classic







Friday, August 10, 2012 Malibu Golf Club

901 Encinal Canyon Road Malibu, California 90265 818.889.6680

Directions: Go to www.themalibugolfclub.com

The LAAPL cordially invites you to participate in the 2012 LAAPL Mickelson Golf Classic fundraiser, once again to be held in beautiful Malibu California. LAAPL will donate the net proceeds realized from the tournament to the R.M. Pyles Boys Camp, thus we encourage you to "sponsor" generously and purchase plenty of raffle tickets. Please return your checks with your completed registration, sponsorship forms and logos/add materials as soon as possible and no later than July 20, 2012, as only 48 golf reservations are available. Cocktail hour, buffet dinner, raffle, and awards ceremony will follow golfing. We look forward to your participation in this iconic golfing event.

GOLF & DINNER: CHECK IN: 9:30 AM \$160 1st TEE TIME: 10:00 AM **GOLF ONLY:** \$130 DINNER: 4:30 PM DINNER ONLY: \$35

EVENT SPONSORSHIPS AVAILABLE from \$175 (Please see attached form)

The 2012 LAAPL Mickelson Golf Classic

Hosted by the Los Angeles Association of Professional Landmen

August 10, 2012, Malibu Golf Club

REGISTRATION FORM

Please make your <u>checks payable to LAAPL</u>, mail payment and registration/sponsorship forms to:

Terry L. Allred
The Termo Company
3275 Cherry Avenue
Long Beach, California 90807

tel. 562.279.1957, fax 562.279.1957, terrya@termoco.com

Name:	Golf	&	Dinner	 Dinner
Name:	Golf	&	Dinner	 Dinner
Name:	Golf	&	Dinner	 Dinner
Name:	Golf	&	Dinner	 Dinner

Tournament format will be a 4-man scramble. Prizes will be awarded for 1_{st} place, longest drive, and closest to the pin. <u>Club Rules</u>: No coolers on the course, no golf carts driven on vehicle parking lot, shirts with collars only (no t-shirts, sweats, tank tops, denim, short shorts or cut-offs).

The 2012 LAAPL Mickelson Golf Classic

Hosted by the Los Angeles Association of Professional Landmen

August 10, 2012, Malibu Golf Club

SPONSORSHIP FORM

The Los Angeles Association of Professional Landmen is proud to host the 2012 Mickelson Classic, a charity golf tournament. The tournament continues to honor William A. (Bill) Mickelson, for his 40 year dedication to the LAAPL and its charity golf tournament. This year's fundraiser beneficiary is the R. M. Pyles Boys Camp (www.pylescamp.com). Join us for a day of fun, professional networking and an outstanding opportunity to make positive changes in the lives of area youth.

Company	Р	Phone		
Contact e-mail				
Address	City	State	Zip	
Please show your support by	making a contribution in one of the fo	llowing:		
	cournament materials and golf tournal		\$175.00	
"PAR": Half page ad - go (Includes golf and dinner for o	If tournament programne player)		\$250.00	
"BIRDIE": Full page ad - (Includes golf and dinner for t	golf tournament program wo players)		\$500.0	
"EAGLE": Full page ad - (Includes golf and dinner for a	plus special recognition in tournamer foursome)	nt & program	\$1000.00	
	ye ad – plus presenting sponsor statu wo foursomes)			
I am enclosing a check payabl	e to LAAPL in the amount of \$a@termoco.com.	and will e-mai	I my camera	

Please send the completed sponsorship form and your contribution to:

Terry L. Allred

The Termo Company
3275 Cherry Avenue
Long Beach, California 90807

Please submit as soon as possible, and <u>no later than July 20, 2012</u>. If you have any questions or wish to donate raffle prizes, please call Terry Allred 562.279.1957.



Save the Wate!

When:

Wednesday — Friday September 26 — 28, 2012

Where:

Laguna Cliffs Resort & Spa Dana Point, California

Details to follow!