Award Winning

The Override

Every Landman Wants One!

Volume VII, Issue IV | September, 2012

Los Angeles Association of Professional Landmen

Presidents Message

Rae Connet, Esq.
PetroLand Services

Welcome back. I hope everyone had a great summer and there are lots of stories to tell when we see each other again. This fall is shaping up to be a busy time for our Association, starting with our first luncheon-speaker meeting on Thursday, Sept. 20th, with guest speaker Cody Lee one of the owners of Westward Energy. Westward Energy defines prospects, develops acreage and drills wells and was recently awarded contracts from the Libyan government. I hope you'll join me in welcoming him as our guest speaker.

While our Association has not been meeting during the summer hiatus, your Board and Committees have remained hard at work, and have a lot to share with you:

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- The West Coast Landmen's Institute will be held in Orange County this year, beginning Wed. Sept. 26th and concluding Friday, Sept. 28th. The WCLI is co-hosted by LAAPL and the Bakersfield Association (BAPL). Working diligently on behalf of LAAPL has been your immediate Past President, Joe Munsey, of Southern California Gas Company, who has headed up the speaker's committee for this year's WCLI.

- Our Association's website has been under re-construction and is expected to launch by October 1st, with a greater focus on the many educational events and resources available for our members and a fresh look, including a really striking photograph of one of the THUMS drilling islands as our new headline banner (photo courteous of Odysseus Chairetakis of PetroLand Services). Thanks go out to Adrienne Wiggins, of PetroLand Services for shepherding our website through the development process.

- Olman Valverde, of Luna & Glushon, has assisted us in resolving long-standing issues with government agencies to make sure we are in good standing with our non-profit, tax exempt status. Many thanks to him and our Treasurer, Sarah Downs, of Downchez Energy, for preparing the financial reports needed to assist Olman.

- Mike Flores, also of Luna & Glushon, has been appointed as the Region VIII Director to AAPL, as Randall Taylor, of Taylor Land Service, Inc., fulfilled his term. Randy has provided excellent representation on the AAPL Board of Directors for the last two years and we thank him greatly for his service. Randy will continue as our Newsletter Co-Editor and we will continue to benefit from the significant donation of his time

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Meeting Luncheon Speaker

"The Shale Revolution"

Cody Lee was born and raised in Albuquerque, where he graduated from the Albuquerque Academy and then attended Hillsdale College in Michigan. Liberal Arts major with time studying at the University of St. Andrews Scotland; Cody knew that he would work for himself since he started a lawn mowing business at age 9.

Cody, and his partners own Westward Energy and are currently involved with concessions they recently were awarded from the Libyan government. Westward Energy defines prospects, develops acreage and drills wells.

Opinionated Corner

Joseph D. Munsey, RPL
Southern California Gas Company
Publication/Newsletter Co-chair

We have been relegated to the dust bins of LAAPL history due to our recent loss as Chapter President of this fine organization – for the moment. We now fully understand the reasoning why a sitting president is bequeathed the duties of an unelected position as Director upon loss of an election. It is to soothe the ego when a hard fought political battle is lost and one looks in the mirror and ask "Why me Lord."[1]

First things first; yes my fellow LAAPL members and friends, *The Override* picked up its fourth award as best newsletter [small chapter category] at the past AAPL shindig in San Francisco of all places. It goes without saying, our Publisher, Randall Taylor, RPL, current Co-chair of the Publication/Newsletter Committee, is to be congratulated for his outstanding work in turning out this professional publication.

Now back to the story at hand. RE: Used up political hacks of the LAAPL. Since an unelected Directorship is merely a left hand compliment given to a non-relevant member of the chapter, we found ourselves doing something we would never dream of doing. Lest we forget, the newsletter mast refers to us as a Past President – ugh.

The LAAPL crowd fled the scene that day in May leaving me literally eye to eye with the undisputed victor of the Chapter, the Madame Chapter President Rae Connet, Esq. Sensing we were about to lose relevancy with the chapter due to our election loss, much like a loser of the United States' presidential race, we immediately fell to the floor prostrate before the powers twitching and groaning like one would see on late night tele-evangelist shows where the faithful fall out on the floor in front of God and the world.[2]

At first slowly pulling myself together and then upon bended knee – whilst dusting off whatever one finds on the Long Beach Petroleum Club's carpet, we had one eye open to determine the effect it was having on the Chapter President. It was not a pretty sight to say the least. The last of my pride gone and with repugnance on her face it came to a showdown – he who speaks first loses.

The stillness was broken as she looked down upon me and asked, "Yes, and what do you want?" Then in a nearly perfected and rehearsed broken and contrite spirit I replied, "The Publications/Newsletter Committee Madame President….I want to be appointed as co-chair of the Publications/Newsletter Committee." There was silence…..a long and drawn out silence. The kind when the ringing in your ears is so deafening one swears the room is filled with the roar of the ageless battle between trestles and waves at San Onofre.

My spirit leaped within and joy overfilled me as the dictatorial conditions for appointment began to be issued forth. The last edict was all I heard and it was what mattered the most, I was going to be rewarded with the opportunity to join the Publications/ Newsletter Committee along with my co-chair Randall Taylor, RPL. To whatever was belted out before hand I had nodded in the affirmative.

However, the last decree we clearly heard was something to the effect… "we will no longer write on subject matters where we poke the other side, nor bring to the attention of our reading audience the irony of those who oppose all things rational." To state her point, Madame Chapter President cited an article in the *National Review* whereby Arthur Schlesinger, Jr., berated Senator Eagleton's betrayal of the Democratic Party due to Eagleton's medical condition not being properly vetted and thus the lost of McGovern's presidential race. The problem with Schlesinger's rant is the fact he was on the front row seat of the Kennedy administration; Jack was the most medicated president we may have had in modern history.[3] Thus she saith, "Writing to reveal these facts without a rebuttal offered to the other side is not the direction *The Override* should take." We nodded in obeisance.

Then in a huff and a puff – she vanished. I, being ever so vigilant, opened the other eye to see if the coast was clear, which it was. I without more hesitation stood up, and took control of my self-importance. Our manliness was saved! Not that it need saving.

We un-crossed our fingers, if one is going to agree to such balderdash, you need to have both pairs of fingers crossed. A wry smile begin to cress my face, as I suppose the serpent did in the garden when it looked upon Eve as she took the first bite out of the forbidden fruit and the cracking of the fruit skin was heard around the known world.

The sound of the drums began beating rhythms to the brain, no, not the sound of the drums coming from the hit song of Sonny and Cher, "The Beat Goes On." It was the gyrating and belching of Steven Tyler of Aerosmith, "I'm back in the saddle again……I'm baaaacckkk."[4]

Now to the business at hand, we are pleased to announce yet another contributor has joined this fine publication; making this newsletter a must read each time it is published. John Harris, Esq., of the Law Firm of SNR Denton will be contributing a column addressing essential industry news. His column will appear as an "Industry Alert" section in the newsletter. We welcome Mr. Harris as he debuts his first column in the next issue.

We would like to see a column dealing with title issues and our goal is to go out on the prowl and find such a person who can contribute to *The Override*.

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Presidents Message
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given to that effort.

• Jason Downs, of Downchez Energy, and Mike Flores have been putting together a tremendous seminar on California's use of Fracking & Waterflooding and how it differs from the rest of the nation. Jason has received a commitment that either DOGGR Supervisor, Tim Kustic, or Chief Deputy, Rob Habel, will be speaking. DOGGR's presentation is expected to go beyond the information covered in the workshops DOGGR held earlier this year and to address the regulatory concerns of the industry. I think it will be a significant educational event and hope that you all can attend. The seminar is tentatively scheduled for November 8th in the Santa Clarita area. AAPL will be providing dinner and cocktails following the seminar.

• Terry Allred, of The Termo Company, along with Pat Moran and Jennifer Parks, both from Venoco, Inc., headed up another successful Annual Mickelson Golf Tournament, generating $5,534 net proceeds for donation to The Pyles Boys Camp.

As you can see, we have a GREAT team of hard-working volunteers and I'm pleased to be able to work with them all.

Finally, those of you who actually read the President's message have likely noticed that our last two incumbents have used this space as a vehicle to discuss substantive issues and their opinions on the same. Please know that I'm far less political than my predecessors, and definitely not as far to the right. So for the next term, this area will probably be substantially less interesting. I'm sorry. I'll try to stir the waters a little from time-to-time, but no promises. However, our Newsletter Co-Editor, Joe Munsey, still has his column, so I'm sure he'll continue to entertain us all. In that regard, I must caution you that Joe makes stuff up. Read anything he says about your current President with a word of caution, and check the footnotes!

L. Rae Connet, President

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Meanwhile, we trust you are planning to attend our luncheon at the Long Beach Petroleum Club on Thursday the 20th as we hear Cody Lee expound on the shale revolution taking the country by storm; much to the chagrin of President Obama and the other "has ran", Al Gore. A week later, amid the awe of Dana Point, CA, the West Coast Landmen's Institute convenes with an outstanding venue of top notch speakers and topics.

I shall see you at the Petroleum Club beaming with delight as one of the appointed Co-chairs of the Publications/ Newsletter Committee.

[1] Per Article 7(3) of the bylaws, 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. Furthermore, per Article 8 (2) the outgoing President shall serve as Director. [There was no hard fought political battle.]

[2] Actaul scene did not take place – written for its dramatic effect.

[3] It would have been impossible for Rae to recite this article since this purported gravelling meeting took place in May 2012, and the article which has been recited ran in the August 27th, 2012, issue of *National Review.*

[4] It is entirely possible this song came to mind when I left the Petroleum Club with my appointment as co-chair secured.

Our Honorable Guests

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

Jack Andrews, Lifetime Member

Bill Mickelson, LAAPL Past President and Lifetime Member

Ruston Reeves, Independent

Jim Halyard, Reutax Group

Jennifer Thomas, Independent

Carl Williams, Independent

2011—2012 Officers & Board of Directors

Joe Munsey, RPL
President
Southern California Gas Company
714-634-3143

Stephen Harris, CPL
Past President
Independent
213-999-7344

L. Rae Connet, Esq.
Vice President
PetroLand Services
310-349-0051

Adrienne Wiggins
Secretary
PetroLand Services
310-349-0051

Sarah Downs
Treasurer
Downchez Energy, Inc.
562-639-9433

Thomas G. Dahlgren
Director
Warren E&P
562-590-0909 Ext. 204

Newsletter/Publishing Chair
Joe Munsey, RPL, Co-Chair
Randall Taylor, RPL, Co-Chair

Communications/Website Chair
Odysseus Chairetakis
PetroLand Services
310-349-0051

Membership Chair
Jason Downs
Downchez Energy, Inc.
858-699-3353

Education Chair
Jason Downs
Downchez Energy, Inc.
858-699-3353

Golf Chair
Terry Allred, RPL
Zodiac Energy
661-873-4662

Legislative Chair
Olman Valverde, Esq., Co-Chair
Mike Flores, Co-Chair
Luna & Glushon
310-556-1444

Treasurer's Report

As of 4/1/2009, the LAAPL account showed a balance of	$ 20,639.99
Deposits	$ 5,805.00
Total Checks, Withdrawals, Transfers	$ 7,972.14
Balance as of 4/30/2009	**$ 18,472.85**
Merrill Lynch Money Account shows a total	$11,096.90

LAAPL Appoints New AAPL Region VIII Director

Chapter President Rae Connet appointed Mike Flores, Legislative Affairs, Luna and Glushon, as the LAAPL's Region VIII AAPL Director upon the expiration of Randall Taylor's term.

Randall Taylor, RPL, took over the duties of the Region VIII Directorship upon the resignation of then Director, Joel Miller, due to Joel moving out of state. For two years plus Randall has given the LAAPL a high profile within the AAPL organization performing the duties of the office. The LAAPL appreciates Randall's fine record as the chapter's Region Director.

We look forward to Mike keeping the AAPL informed of all things LAAPL. The chapter is ever so grateful for the support Luna and Glushon offers Mike as he performs his duties as Region VIII AAPL Director.

Lawyers' Joke of the Month

Jack Quirk, Esq.
Bright and Brown

An airline pilot wrote that on this particular flight he had hammered his ship into the runway really hard. The airline had a policy which required the first officer to stand at the door while the passengers exited, smile, and give them a "Thanks for flying our airline". He said that, in light of his bad landing, he had a hard time looking the passengers in the eye, thinking that someone would have a smart comment.

Finally everyone had gotten off except for a little old lady walking with a cane.

She said, "Sir, do you mind if I ask you a question?"

"Why, no Ma'am," said the pilot. "What is it?"

The little old lady asked,

"Did we land, or were we shot down?"

Scheduled LAAPL Luncheon Topics and Dates

September 20th
Cody Lee, Westward Energy
"The Shale Play Revolution"

September 26th – 28th
West Coast Land Institute

November 15th
TBD

January 24th
[4TH Thursday]
Annual Joint Meeting with
Los Angeles Basin Geological Society

March 21st
TBD

May 16th
TBD
Officer Elections

ConocoPhillips' Board of Directors Approves Spin-off of Phillips 66

HOUSTON, April 4, 2012 - ConocoPhillips [NYSE:COP] announced that its board of directors has given final approval for the spin-off of its downstream businesses. The resulting upstream company will keep the ConocoPhillips name and will be led by Chairman and CEO Ryan Lance. The downstream company, led by Chairman and CEO Greg Garland, will be known as Phillips 66. Both companies will be headquartered in Houston.

Following the distribution of Phillips 66 common stock, Phillips 66 will be an independent, publicly traded company, and ConocoPhillips will retain no ownership interest. Phillips 66 has received approval for the listing of its common stock on the New York Stock Exchange under the symbol PSX.

LAAPL Receives Award

"The Override," the official organ of the LAAPL took first place (small chapter category) at the AAPL convention in San Francisco, CA.

Attending the ceremony and accepting the award was Randall Taylor, RPL, who is an outstanding member of the chapter and serves as Co-chair of the LAAPL's Publications/Newsletter Committee. The newsletter has outstanding contributing writers but Randall does all the heavy lifting when it comes to publishing this fine communication tool.

LAAPL Chapter Officers for 2012 - 2013

President
L. Rae Connet, Esq., Managing Partner, PetroLand Services

Vice President
Paul Langland, Esq.
Independent

Secretary
Adrienne Wiggins
PetroLand Services

Treasurer
Sarah Sanchez-Downs,
Downchez Energy, Inc.

Director
Stephen Harries, CPL
Independent.

Director
Thomas G. Dahlgren, California Land Manager, Warren E&P

Immediate Past President
Joseph D. Munsey, RPL, Senior Land Advisor, Southern California Gas Company

SNR Denton Welcomes John J. Harris

SNR Denton[1] is pleased to announce that John J. Harris has joined the firm as a Partner[2] in its global Oil and Gas practice in its Los Angeles office.

John J. Harris

John Harris brings over 30 years of experience to the firm, representing oil and gas producers, working interest owners, mineral and land owners, public agencies and industrial clients on oil and gas, energy, and environmental transactional and litigation matters. John is experienced in all aspects of the oil and gas industry, including the wide range of operational problems faced by exploration and production companies operating in California and in other states, as well as in downstream operations, including pipeline and refinery issues. John has helped industry clients in the purchase and sale of oil and gas producing properties and pipelines, operating agreements, oil and gas lease negotiations, financing transactions and production purchase and sales agreements, as well as agreements with governmental agencies. John has broad expertise in the day-to-day legal issues that face oil and gas operators in California, from obtaining permits for exploration, production, transportation and storage operations to resolving issues with environmental regulators. He provides mineral title opinions to producers and landowners and assists clients in solving complex title problems. John has litigated a wide variety of oil and gas and environmental cases. John also advises clients on their interactions with local agencies, legislators and state regulators on matters affecting the energy industry in California.

Also joining SNR Denton's global oil and gas team in Los Angeles are Ernest Guadiana, Associate and Paul Williams, Associate.

Ernest J. Guadiana

Ernest Guadiana represents clients in litigation, transactional and compliance matters regarding oil and gas disputes and negotiations, water quality, water rights, and environmental contamination. Ernest is admitted to practice law in California, Connecticut and New York.

Paul M. Williams

Paul focuses his practice primarily on the oil and gas industry at all stages of the commercial process. Paul has acted for clients involved in petroleum transactions in North and South America, Europe, Asia, Australia and Africa. Paul is admitted to practice law in California and Alberta, Canada.

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[1]SNR Denton is an international legal practice serving clients from more than 60 locations worldwide, through offices, associate firms and special alliances in the US, the UK, Europe, the Middle East, Russia and the CIS, Asia Pacific and Africa. We offer our clients premier service in eight key industry sectors. For more information visit www.snrdenton.com.

[2]Any reference to a "partner" means a partner, member, consultant or employee with equivalent standing and qualifications in one of SNR Denton's affiliates.

New Members and Transfers

Welcome!

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

New Members

Carrie Glavin
Office Manager
Petroland Services
1030 Inglewood Avenue. STE 105
Hawthorne, CA 90250
(310) 349-0051

New Member Requests

Jonathan Click
Click Energy, (Land Services)
Independent
723 Main Street
Houston, TX 77002
(832) 725-9910

John Mark Williams
Independent
(214) 725-4511

Mona Herbert
Right of Way Advisor
Phillips 66
3900 Kilroy Airport Way, Suite 210
Long Beach, CA 90806
(562) 290-1519

Kathleen Henderson
Occidental Petroleum
301 E. Ocean Blvd, Suite 300
Long Beach, CA 90802
(562) 495-9373

Sarah Duffy
Independent
729 Bookcliff Ave.
Grand Junction, CO 81501
(707) 815-7253

Ken Langan, Esq.
Asst. General Counsel
Southern California Gas Co.
555 West Fifth St. Suite 1400
Los Angeles, CA 90013
(213) 244-2959

Albert Garcia, Esq.
Senior Counsel
Southern California Gas Co.
555 West Fifth St. Suite 1400
Los Angeles, CA 90013
(213) 244-2958

Transfers

From:
John Harris, Esq.
Partner, Meyers Nave
633 West 5th Street, Suite 1700,
Los Angeles, CA 90071

To:
Partner, SNR Denton
601 South Figueroa Street
Suite 2500
Los Angeles, CA 90017-5704
john.harris@snrdenton.com
(213) 892-2842

Paul Williams, Esq.
Meyers Nave
633 West 5th Street, Suite 1700,
Los Angeles, CA 90071

SNR Denton
601 South Figueroa Street Suite 2500
Los Angeles, CA 90017-5704 paul.
williams@snrdenton.com
(213) 892-2896

New Members and Transfers (continued)

Welcome Back (Reinstatement)

Joel Miller, Landman
Regeneration Energy Corp.
P.O. Box 210
Artesia NM, 88210
(310) 561-4555

Rick Peace, President
White Wolf Land Company
Haberfelde Building, 1412 17th Street
Suite 560
Bakersfield, California 93301
661.324.WOLF (9653)
877.600.WOLF (9653)
661.283.8643 Facsimile www.
WhiteWolfLand.com

Gary Plotner, President
Maverick Petroleum Inc.
1401 Commercial Way
Suite 200
Bakersfield, CA 93309
(661) 328-5530

The State of Eminent Domain for the New Year

By Bradford B. Kuhn, Esq,
Rick E. Rayl, Esq.
Law Firm of Nossaman LLP

Looking back over the past few years, we've seen a significant uptick in right of way projects and important case decisions. Following a relatively quiet 2009, we saw increased activity in 2010, with regulatory takings issues garnering significant attention. As we rolled into 2011, the momentum continued, with the status of redevelopment agencies across California dominating the headlines.

As we look to 2012, we expect another exciting year. What follows is an eminent domain recap of 2011, along with our thoughts on what the right-of-way profession can expect in 2012.

Still fresh in our minds, 2011 ended with a bang (to put it mildly), as the state Supreme Court issued a landmark decision – *California Redevelopment Association v. Matosantos, 2011 Cal. LEXIS 13325* - eliminating redevelopment agencies in California. The decision sets the stage for the dissolution of redevelopment agencies and the establishment of "successor agencies" with elaborate "oversight committees" to dispose of redevelopment assets, satisfy existing redevelopment obligations, and funnel all remaining redevelopment funds back into the property tax system. 2012 will be focused on the aftermath of the decision and cleaning up the rubble.

Beyond the redevelopment saga, regulatory takings cases continued to make headlines. While successful regulatory takings claims are few and far between, in *Avenida San Juan Partnership v. City of San Clemente, 201 Cal.App.4th1256*, the court held that the city had engaged in spot zoning by treating the property's zoning differently than other similarly-situated properties for an improper purpose, and ultimately found a taking under the *Penn Central* factors despite the property's not suffering a complete elimination of an economically viable use. That the court found a taking under Penn Central is particularly significant, as the decision represents the first reported case in California imposing liability under this test.

In *Wardany v. City of San Jacinto, 2011 U.S. Dist. LEXIS 57148*, the agency placed a center median in the street, preventing left turns in and out of the owner's property. The owner claimed the business lost over half its sales as a result. Despite this impact, the court concluded that there was no compensable taking because: the property retained an economically viable use; and the impairment did not qualify as substantial, as a matter of law, because the measure of "substantial" depends on the physical impairment, not the impact that impairment has on the property.

In *Colony Cove Properties v. City of Carson, 640 F.3d 948*, the owner of a mobile home park filed suit in federal court, alleging that the city's rent control ordinance deprived the owner of the value of its property while allowing park residents to sell their mobile homes at a premium. As is often the case, the 9th U.S. Circuit Court of Appeals held that the owner's facial challenge was time barred since it was asserted after the statute of limitations had run, and the owner's as-applied challenge was unripe since the owner failed to first file an inverse condemnation action in state court.

There was one reported goodwill decision in 2011. In *Galardi Group Franchise & Leasing, LLC v. City of El Cajon, 196 Cal.App.4th 280*, the court held that despite a franchisor's involvement in a business, the franchisor fails to qualify for recovery of goodwill unless it has an ownership interest in that business because recovery of goodwill is expressly limited to those "operating a business on the property." However, the court also held that a franchisee's waiver of its rights to compensation can effect an assignment of those rights to the franchisor, including rights to goodwill losses.

There was one reported decision concerning property valuation. In *Charter Communications Properties v. County of San Luis Obispo, 198 Cal.App.4th 1089*, the court held that when assessing the fair market value of a private utility's possessory interest in the public right-of-way, the county tax assessor can disregard the utility's agreed-upon remaining term of possession and instead assume a much longer anticipated term of possession to match reality. This may result in private utility companies experiencing much higher assessed values for their leasehold interests in public roads and highways.

Moving beyond valuation issues, there were two inverse condemnation decisions of note. In *City of Los Angeles v. Superior*

Case of the Month - ROW
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Court (Plotkin), 194 Cal.App.4th 210, a number of property owners sued the city for inverse condemnation, alleging that the city created "condemnation blight" by buying nearby properties in their neighborhoods, relocating the residents, demolishing the structures, and leaving the properties vacant. The court held that the city was not liable for inverse condemnation because the city's acquisitions were voluntary and unrelated to a public project. And in J*offe v. City of Huntington Park, 201 Cal.App.4th 492*, the court declared that in determining a property and business owner's entitlement to precondemnation damages, the appropriate analysis focuses on the agency's conduct, not the impacts suffered by the owner. Thus, despite the fact that the business was forced to close, meaning the property's owner lost its only tenant, the agency was not liable for precondemnation damages because it had neither acted unreasonably nor engaged in unreasonable conduct.

There were three reported decisions on purely procedural issues, including another decision by the state Supreme Court, *Los Angeles County Metropolitan Transportation Authority v. Alameda Produce Market, 2011 Cal. LEXIS 12171.* There, the Court held that one party's withdrawal of a condemnation deposit does not result in the waiver of any other party's right-to-take challenge, despite the general rule that withdrawal of a condemnation deposit effects such a waiver pursuant to Code of Civil Procedure Section 1255.260.

In *City of Gardena v. Rikuo Corp., 192 Cal.App.4th 595*, the parties entered into a stipulated judgment and left $750,000 on deposit to address ongoing environmental remediation. When a dispute arose over the court's distribution of those funds, the property owner appealed from the post-judgment order. The court dismissed the appeal, concluding that the order was not appealable because post-judgment orders are only appealable if they follow a judgment that is itself appealable, and the initial stipulated judgment was not appealable.

Finally, in *Cobb v. City of Stockton, 192 Cal.App.4th 65*, a property owner filed an inverse condemnation action against the city after an earlier condemnation action was dismissed nine years after it was filed. The court held that the claims were timely because it did not accrue until the city's occupation of the property became wrongful, which occurred when the underlying eminent domain action was dismissed.

So what can we expect as we move into 2012? In (at least) the first part of 2012, most attention will continue to be focused on the redevelopment saga. Either through efforts to reincarnate some version of redevelopment, simple clean-up legislation and/or the winding down process, this is sure to be an area in the news.

We also expect regulatory takings decisions to be in the news. The shift towards greater scrutiny of government regulation and the renewed focus on the *Penn Central* test will likely be themes throughout 2012.

And, finally, we expect to see an increasing split in the way the public perceives the use of eminent domain. As *Kelo* recedes in many people's minds, the general "eminent domain abuse" mentality also recedes from the mainstream public. And, with the economy continuing to falter and major infrastructure projects providing large numbers of jobs, we expect more public support for traditional uses of eminent domain for public works projects.

On the other hand, if agencies find ways to implement redevelopment-type strategies or otherwise engage in questionable uses of eminent domain, the Kelo torch-bearers will likely surface quickly, and in mass.

Mr. Rayl can be reached at rrayl@nossaman.com

Mr. Kuhn can be reached at bkuhn@nossaman.com

Top Leasing: From the Bottom Up

By: Tracy Hunckler & Ryan Stephensen
Day, Carter & Murphy, LLP
Originally published in the "Landman"

The practice of top leasing has been described as immoral, illegal, and unethical claim-jumping.[1] More recently, however, Courts are beginning to recognize that top leasing is not only a routine and customary practice in the oil and gas industry, but may also be a useful business practice.[2] Considering this trend, and the likelihood the practice will only increase as oil and gas leasing becomes more competitive, the goal of this paper is to provide basic information regarding top leasing and practical advice to both bottom-lessees and top-lessees. Specifically, we will address the following topics:

- Essential terms relating to a discussion of top leasing;
- Drafting considerations when drafting a top lease;
- Steps a top-lessee can take to avoid liability to the bottom-lessee; and
- Drafting a lease so as to discourage a top lease from being taken on the lease.

Essential Terms

First, some essential terms must be defined in order to understand top leasing. A *top lease* can be defined as a lease granted by a landowner during the existence of an oil, gas, and mineral lease, which lease is to become effective if and when the existing or "bottom lease" expires or is terminated. A *bottom lease* is the existing lease covering a mineral interest upon which a second lease, or a "top lease," has been granted.

Top leases generally come in two different varieties. A two-party top lease occurs when the same lessee takes a top lease on its own bottom lease to extend the duration of its rights to the property.[3] Practically speaking, one rarely encounters two-party top leases. *Three-party top leases* are much more common, and involve the original lessor executing a top lease with a new, third-party lessee. In these situations, the top lessee essentially speculates that the bottom lease will terminate—either by expiration or perhaps by default (such as failure to pay rentals)—such that the top lease will become effective.

Top Leasing: Drafting Considerations

In preparing a top lease, we recommend a few essential provisions to protect the top lessee and to discourage any cries of foul by the bottom lessee. Note, however, a cursory review of top lease case law throughout the United States did not reveal any specific language that is required to create a top lease. Top leases will often appear similar to standard oil, gas and mineral leases. With that in mind, we present the following drafting considerations.

1. Subordinate or Subject-To Clause

The top lease should specifically set forth that it is subordinate to—or subject to—the existing bottom lease so as to acknowledge that the top lease does not take effect until termination of the bottom lease. A top lease taken on land already subject to a bottom lease, without any mention of the bottom lease whatsoever, is essentially a second lease on the same land at the same time and will therefore cloud the bottom lessee's title. Under such circumstances, a bottom lessee will likely demand a quitclaim and may even consider bringing a quiet title and/or slander of title action. To avoid such a situation, include an express provision in the top lease indicating that the top lease is subject to the bottom lease which is already in existence. Including such language will also help avoid a claim by the bottom lessee that the lessor is repudiating the bottom lease by executing the top lease.

2. Effective Date

A top lease should include an effective date. Most top leases are drafted in such a way that the effective date is *upon the expiration or termination of the bottom lease.* This provision is consistent with the view that the top lease is subject to the bottom lease. Such a provision will also help define when the top lessee's rental payment and other obligations become active. If the effective date language is not included, you run the risk that the top lease will be deemed effective upon execution. This may result in the terms of the bottom lease and top lease running concurrently so upon termination of the bottom lease there is little, or no term left on the top lease.

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Consider the following scenario. In *Obelgoner v. Obelgoner*,[4] the bottom lessee held a valid lease with one year remaining in the primary term. The bottom lessee then entered into a second lease with the lessor (i.e., a two-party top lease), which included the usual granting language: "Lessor hereby grants, leases and lets exclusively unto lessee," without any mention of a specific effective date or the existence of the bottom lease. This second lease had a primary term of 10 years. The lessor and lessee *orally* agreed the second lease would not become effective until the first lease expired. Ten years passed without any production on the property. The lessor then executed a third lease with a new lessee, creating a third-party top lease, with a provision indicating this third lease would take effect exactly ten years and one day after the second lease was executed.

The *Obelgoner* case focused on whether the second lease ran from the date of its execution, or if it became effective upon the expiration of the first lease. The Texas Court held the phrase "hereby grants, leases and lets" indicated a present, not a future, grant. The Court also ruled that any alleged oral agreement between the parties could not be considered because it was not included in the written terms of the lease.[5] Thus, the second lease became effective upon execution, ran concurrently with the first lease, and terminated ten years after execution. That termination automatically made the third-party top lease effective.

Obelgoner underscores at least two important aspects of top leasing. First is the importance of including an effective date in the top lease. Failure to do so not only exposes you to liability for clouding the bottom lessee's title upon execution of the top lease, but may also result in the top lease's primary term running before the bottom lease expires or terminates. Second, you should not rely on oral conversations to alter or attempt to interpret a written lease. Everything must be in writing and included in the lease.

3. Provision Prohibiting Extensions or Waivers of Default

Top lessees should consider including a provision in the top lease prohibiting the lessor from extending the term of the bottom lease or waiving any defaults committed by the bottom lessee. The prohibition of a lessor from extending a bottom lease once a top lease has been executed is examined in the Oklahoma case of *Rorex v. Karcher*.[6] There, the term of the subject lease was set to expire on November 1, 1918. During the term of that first lease the lessors executed a third party top lease. Before November 1, 1918 (the date for expiration of the bottom lease), the lessors signed an extension agreement extending the term of the bottom lease for one year, to November 1, 1919. After November 1, 1918, the original termination date of the bottom lease, the top lessee brought suit to enforce his rights under the top lease to explore and develop the property. The Court pointed out the bottom lease contained no extension rights, and that the top lease was executed before the bottom lessees obtained the extension. As a result, the extension agreement was subject to the rights of the top lessee, and was therefore invalid.

Just as a lessor generally cannot extend the terms of a bottom lease once a valid top lease has been executed, the waiver of a bottom lessee's default by the lessor will not affect a top lessee's rights. This scenario is examined in the case of *Willan v. Farrar*.[7] In *Willan*, the lessor entered into three leases on June 15, 1960, with the bottom lessee. Each lease contained a provision for termination on June 15th of each succeeding year unless drilling operations were commenced or delay rentals were paid on or before that day. No drilling operations were ever commenced. In April, 1961, the lessor entered into third-party top leases, covering the same property as the bottom leases, which were to become effective upon termination of the bottom leases. The bottom lessee subsequently failed to pay the June 15, 1961, delay rental in a timely manner, but the lessor accepted the late delay rental. The question before the Court was whether the top leases took effect upon the bottom lessee's failure to pay the delay rental on time even though the lessor ultimately waived the default by accepting the late delay rental. The Court, citing the *Rorex* case, determined the lessor's acceptance of the late delay rental could not affect or curtail the rights of the top lessee, whose top lease automatically "fell into place" and became effective when the bottom leases automatically terminated on June 16, 1961.

Considering both the *Rorex* and *Willan* cases together, a lessor, having executed a top lease, arguably cannot extend or alter the rights of the bottom lessee as the bottom lease is subject to the terms of the top lease. In order to underscore the lessor's duty not to do so, we advise including an express provision in the top lease whereby the lessor agrees not to extend the term of the bottom lease, or waive any default which would otherwise result in termination of the lease.

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Top Leasing: Avoiding Liability

Bottom lessees are usually not very happy when a top lease enters the picture. That unhappiness may be expressed in a lawsuit. Here are a few tips to help insulate a top lessee from such an unfortunate event.

1. Cloud on Title – Action for Quiet Title

A cloud on title can be any encumbrance or claim that might invalidate title to property. If a top lease is worded so as to be presently effective, and does not include any language indicating that the top lease is subject to the bottom lease, then the top lease constitutes a cloud on the bottom lessee's title. In such a circumstance the bottom lessee would have a claim for quiet title against the top lessee. Such a lawsuit can be easily avoided, however, if the top lease is granted *subject to the bottom lease*, and effective upon termination of the bottom lease, as discussed above.

2. Slander of Title

In addition to clouding the bottom lessee's title, a presently effective top lease with no language indicating that the top lease is subject to the bottom lease may also lead to a slander of title cause of action. Generally speaking, slander of title occurs when one maliciously publishes a false statement disparaging the plaintiff's property or the title to it, and the publication results in damages to the plaintiff.[8] Malice is an essential element of a cause of action for slander of title.[9]

Malice can be inferred from the facts or implied by law. In the context of slander of title, in order to infer malice "the evidence must support a reasonable inference that the representation not only was without legal justification or excuse, but also was not innocently made."[10] Thus malice can be implied if the top lessee *knows* the top lease will cloud the bottom lessee's title. On the other hand, the following are situations in which malice will not be implied:

- The party publishing the statement is making an honest and good-faith assertion of title.[11] This could include a situation where the top lessee has an honest belief that the bottom lease had expired due to lack of production.
- The party publishing the statement acts under color of title, i.e., a good faith belief that she or he holds a valid, written document entitling him or her to an interest in the property.[12]

The damages associated with a slander of title action can be substantial. First, the plaintiff can recover any damages suffered as a result of the false publication, including the loss of an opportunity to sell the property interest. These damages are sometimes referred to as *impairment of vendibility* damages.[13] Second, damages also include the expense of litigation to remove the doubt cast on the plaintiff's title.[14]

3. Interference with Contract

A top lessee who encourages the lessor to terminate or otherwise disrupt a valid bottom lease may face an interference with contract claim by the bottom lessee. The elements of such a claim in the context of a top lease/bottom lease situation are as follows:

- A *valid* lease (the "contract" for the purpose of the claim) between the lessor and the bottom lessee;
- The top lessee's knowledge of that lease;
- The top lessee's intentional acts to induce the lessor to breach the bottom lease or otherwise disrupt the lessor—bottom lessee relationship;
- Actual breach or termination of the bottom lease;
- Damages suffered by the bottom lessee.[15]

The bottom lessee must prove two crucial facts in order to prevail on an interference with contract claim: (1) the bottom lease was still valid at the time of interference, and (2) the top lessee induced the lessor to breach or repudiate the bottom lease.

As a top lessee, the best course of action to avoid an interference with contract cause of action is to let the lessor come to its own conclusions regarding the effectiveness of the bottom lease. Of course, in a situation where the top lessee believes the bottom lease is no longer valid, the top lessee can always deal *directly* with the bottom lessee to secure a quitclaim of the bottom lease either through negotiation or litigation.

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4. Agency Authority

What about a situation in which the top lessee, believing the bottom lease is no longer valid, offers to sue the bottom lessee on behalf of the lessor, as the agent of the lessor? A top lessee may consider this option when the lessor does not have the funds to file a lawsuit. Will the top lessee's actions as the lessor's agent, sometimes referred to as the *agency authority defense*, shield it from a claim of interference with contract?

The Oklahoma Supreme Court found that the top lessee in this situation should not be liable for interference with contract because the top lessee (1) is not a stranger to the contract when acting as an agent of a party to the contract, and (2) is merely providing a valuable service to the lessor who otherwise might not be able to afford litigation.[16]

Bottom Leasing: Drafting and Other Considerations

A lessee in an area subject to top leasing, or wary of a potential top lease, may want to include certain provisions which may prevent, or at least discourage, a top lease from being taken on the same property. Below are some suggested provisions such a lessee may want to include in a lease.

1. Provision Granting an Express Right to Extend

A bottom lease with an express right to extend the terms of the lease will permit the bottom lessee to secure an extension despite a top lease on the same property. As noted in the discussion of the *Rorex* case, the top lessee takes its interest subject to the rights of the bottom lessee. If, as in *Rorex*, the bottom lease contains no rights to extend, then the lessor cannot extend the bottom lease in violation of the top lessee's rights. If, however, the bottom lease includes an express provision allowing for an extension, the top lessee may be prevented from arguing that such an extension violates its rights. To further protect the bottom lessee and to ensure notice to any potential top lessee, the bottom lessee should include the right to extend in its recorded short form of the lease.

2. Right of First Refusal

A cautious lessee may also include a right of first refusal provision in its lease. Such a provision may chill the possibility that a top lease will be taken. A right of first refusal provision essentially provides that if the lessor receives any offer to lease the minerals during the term of the bottom lease, the offered lease to become effective upon the termination of the bottom lease, the bottom lessee must be given the first right to take such a lease. To ensure that any interested top lessee sees the bottom lessee's right of first refusal, the bottom lessee should include the right of first refusal in its recorded short form of the lease.

3. Be Extra Cautious

Finally, the last bit of advice for a bottom lessee is to be extra vigilant in complying with all the terms of your lease. Pay those rentals on time, do not let production lapse for longer than is allowed, and be sure to secure all necessary consents. Remember, the top lessee may be reviewing your every move looking for a default which will lead to the top lease "springing" into effect.

Conclusion

The current legal trend is to accept the practice of top leasing. Through careful drafting and compliance with lease terms, top lessees can defend themselves from many of the negative issues associated with top leasing in the past; and bottom lessees can discourage top leasing altogether. If nothing else, a top lessee can at least take comfort in the fact that courts are no longer likely to declare it a shameless claim-jumper.

[1] *See, e.g., Nantt v. Puckett Energy Co.* (N.D. 1986) 382 N.W.2d 655; *Voiles v. Santa Fe Minerals, Inc. ("Voiles")* (Okla. 1996) 911 P.2d 1205; Oil and Gas: Top Leasing After *Voiles v. Santa Fe Minerals* – Unethical Claim-jumping or Prudent Business Practice? (1999) 52 Okla. L. Rev. 127.
[2] *See, e.g., Acre v. Spindletop Oil & Gas Co.* (2009) 2009 WL 4016116; Voiles, supra, at 1209.
[3] *See, generally*, 8 Williams & Meyers, Oil and Gas Law—Manual of Oil and Gas Terms (2011) Top Lease, pp. 1083-1085.
[4] *Obelgoner v. Obelgoner* (Tex.Civ.App. 1975) 526 S.W.2d 790 .
[5] *Id*., at 792.
[6] 224 P. 696 (Okla. 1924).
[7] 124 N.W.2d 699 (Neb. 1963).
[8] *See* 50 Am.Jur.2d (2012) Libel and Slander, § 530.
[9] *Id*., at § 531.
[10] *Ibid.*
[11] *Ibid; see also Hill v. Allan* (1968) 259 Cal.App.2d 470, 490 ("[C]ourts have long recognized that a rival claimant of property is privileged to disparage or is justified in disparaging another's interest in the property by an honest and good faith assertion of an inconsistent legally protected interest in himself.").
[12] *See* 50 Am.Jur.2d (2012) Libel and Slander, § 531.
[13] *Ibid.*
[14] *Ibid.* Attorney's fees may also be recoverable. See *Hill v. Allan* (1968) 259 Cal.App.2d 470, 489 ("The damage [in a slander of title action] usually consists of a loss of prospective purchaser or lessee and the expense of litigation to remove the doubt cast on the title."); *Contra Costa County Title Co. v. Waloff* (1960) 184 Cal.App.2d 59, 67-68 (plaintiff entitled to recover attorney's fees in connection with clearing cloud on title associated with slander of title).
[15] *See, generally*, 44B Am.Jur.2d (2012) Interference, § 3.
[16] *See, e.g., Voiles, supra*, 911 P.2d at 1210. Note, however, that the *Voiles* ruling does not apply in all states. In California, for example, an agent can only successfully argue the agent authority defense if the agent can prove that it was not furthering its own interest in interfering with the contract. (*See, generally, Webber v. Inland Empire Investments* (1999) 74 Cal.App.4th 884, 908.)

EDUCATIONAL CORNER

Jason Downs, Downchez Energy
Education Chair

Need continuous education credit? Listed below are continuous educational courses available for the first quarter of 2012. The American Association of Professional Landmen (AAPL) is committed to providing education seminars and events that support our membership base. In Addition, you can generally earn credits by attending our luncheons based upon speaker and subject matter. www.landman.org

September 2012

Texas Land Institute
When: September 11, 2012
Where: Houston, TX
RL/RPL Continuing Education Credits: 7.0
CPL Recertification Credits: 7.0
CPL/ESA Ethics Credits: 1.0

Santa Fe Land Institute
When: September 17th, 2012
Where: Santa Fe, NM
RL/RPL Continuing Education Credits: 7.0
CPL Recertification Credits: 7.0
CPL/ESA Ethics Credits: 1.0

West Coast Land Institute
When: September 26th – 28th, 2012
Where: Dana Point, CA
RL/RPL Continuing Education Credits: 9.0
CPL Recertification Credits: 9.0
CPL/ESA Ethics Credits: 1.0

Field Landman Seminar
When: September 27th, 2012
Where: Dodge City, KS
RL/RPL Continuing Education Credits: 2.0
CPL Recertification Credits: 2.0
CPL/ESA Ethics Credits: 0.0

October 2012

Field Landman Seminar
When: October 4th, 2012
Where: Midland, TX
RL/RPL Continuing Education Credits: 2.0
CPL Recertification Credits: 2.0
CPL/ESA Ethics Credits: 0.0

Working Interest/ Net Revenue Interest Calculations Workshop
When: October 8th, 2012
Where: San Antonio, TX
RL/RPL Continuing Education Credits: 6.0
CPL Recertification Credits: 6.0
CPL/ESA Ethics Credits: 1.0

Appalachian Land Institute
When: October 11th-12th, 2012
Where: Pittsburgh, PA
RL/RPL Continuing Education Credits: 11.0
CPL Recertification Credits: 11.0
CPL/ESA Ethics Credits: 1.0

Fundamentals of Land Practices & Optional RPL Exam
When: October 12th-13th, 2012
Where: Salt Lake City, UT
RL/RPL Continuing Education Credits: 7.0
CPL Recertification Credits: 7.0
CPL/ESA Ethics Credits: 1.0

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Gulf Coast Land Institute
When: October 18th-19th, 2012
Where: Lafayette, LA
RL/RPL Continuing Education Credits: 11.0
CPL Recertification Credits: 11.0
CPL/ESA Ethics Credits: 1.0

Field Landman Seminar
When: October 25th, 2012
Where: Williston, ND
RL/RPL Continuing Education Credits: 2.0
CPL Recertification Credits: 2.0
CPL/ESA Ethics Credits: 0.0

Division Order Process
When: October 27th, 2012
Where: San Antonio, TX
RL/RPL Continuing Education Credits: 7.0
CPL Recertification Credits: 7.0
CPL/ESA Ethics Credits: 1.0

November 2012

JOA Seminar- Comprehensive Review of Operating Agreements and Well Trades
When: November 5th-6th, 2012
Where: Houston, TX
RL/RPL Continuing Education Credits: 14.0
CPL Recertification Credits: 14.0
CPL/ESA Ethics Credits: 1.0

California Exploration Seminar & Field Landman Seminar
When: November 8th, 2012
Where: North Los Angeles, CA
RL/RPL Continuing Education Credits: 2.0+
CPL Recertification Credits: 2.0+
CPL/ESA Ethics Credits: 0.0

Working Interest/ Net Revenue Interest Calculations Workshop
When: November 12th, 2012
Where: Midland, TX
RL/RPL Continuing Education Credits: 6.0
CPL Recertification Credits: 6.0
CPL/ESA Ethics Credits: 0.0

Working Interest/ Net Revenue Interest Calculations Workshop
When: November 14th, 2012
Where: Houston, TX
RL/RPL Continuing Education Credits: 6.0
CPL Recertification Credits: 6.0
CPL/ESA Ethics Credits: 0.0

Oil & Gas Land Review, CPL/RPL Exam
When: November 14th-17th, 2012
Where: Fort Worth, TX
RL/RPL Continuing Education Credits: 6.0
CPL Recertification Credits: 6.0
CPL/ESA Ethics Credits: 0.0

Oil & Gas Titles Workshop
When: November 30th, 2012
Where: Pittsburg, PA
RL/RPL Continuing Education Credits: 18.0
CPL Recertification Credits: 18.0
CPL/ESA Ethics Credits: 1.0

AAPL's Home Study program allows members to earn continuing education credits at their own convenience and schedule. The courses cover the issues most relevant to today's landman and cost between $30 and $75 to complete. To receive continuing education credits via a home study course:

- Download or print out the course (PDF format)
- Answer all questions completely

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- Submit the answers as instructed along with the appropriate fee

If you have questions or would like more information, please contact AAPL's Director of Education Christopher Halaszynski at (817) 231-4557 or chalaszynski@landman.org.

General Credit Courses

#100 Environmental Awareness for Today's Land Professional
Credits approved: 10 CPL/ESA/RPL
$75.00 – Buy Now

#101 Due Diligence for Oil and Gas Properties
Credits approved: 10 CPL/RPL
$75.00 – Buy Now

#102 The Outer Continental Shelf
Credits approved: 5 CPL/RPL
$37.50 – Buy Now

#104 Of Teapot Dome, Wind River and Fort Chaffee: Federal Oil and Gas Resources
Credits approved: 5 CPL/RPL
$37.50 – Buy Now

#105 Historic Origins of the U.S. Mining Laws and Proposals for Change
Credits approved: 4 CPL/RPL
$30.00 – Buy Now

#106 Going Overseas: A Guide to Negotiating Energy Transactions with a Sovereign
Credits approved: 4 CPL/RPL
$30.00 – Buy Now

#108 Water Quality Issues: Safe Drinking Water Act
(SDWA)/Clean Water Act (CWA)/Oil Pollution Act (OPA)
Credits approved: 4 CPL/ESA/RPL
$30.00 – Buy Now

#109 Common Law Environmental Issues and Liability for Unplugged Wells
Credits approved: 4 CPL/ESA/RPL
$30.00 – Buy Now

Ethics Credit Courses

Two ethics courses are available. Each course contains two essay questions. You may complete one or both of the questions per course depending on your ethics credits needs. Each question answered is worth one ethics continuing education credit.

#103 Ethics Home Study (van Loon) – 1 or 2 questions
Credits approved: 2 CPL/RPL & 2 Ethics
$15.00 per question – Buy Now

#107 Ethics Home Study (Sinex) – 1 or 2 questions
Credits approved: 2 CPL/RPL & 2 Ethics
$15.00 per question – Buy Now

Sempra U.S. Gas & Power and BP Move Into Full Construction of Kansas Wind Farm

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Sempra U.S. Gas & Power and BP Wind Energy have announced that the Flat Ridge 2 wind farm has moved into full construction. Upon completion, it will be the largest wind project in the state of Kansas and a major investment in renewable energy for U.S. consumers.

Landmark wind: When completed in late 2012, Flat Ridge 2 will be the largest wind farm ever built in Kansas.

The facility, located on a 66,000-acre site about 40 miles southwest of Wichita, represents a combined investment of more than $800 million and will have the capacity to produce 419 MW of electricity, enough to light more than 125,000 homes.

Supporting energy independence

To mark the launch of construction, Kansas Gov. Sam Brownback and other state and local officials attended a ceremony in which they signed one of the massive wind blades that will be installed at the facility.

"The development of the Flat Ridge 2 wind farm is an important component to achieving energy independence and revitalizing rural Kansas," Brownback said at the event. "We congratulate BP and Sempra U.S. Gas and Power for their innovative thinking and planning in moving this project into full construction."

Innovation and job creation

"Because of the state's leadership and natural resources, Kansas is becoming a hub for domestic wind energy production, innovation and job creation," said Jim Sahagian, vice president of renewables for Sempra U.S. Gas & Power. "We look forward to playing a role in the continued growth of this dynamic market as we continue expanding our solar and wind energy portfolio."

At peak construction, the Flat Ridge 2 project will create some 500 jobs. Roughly 30 permanent jobs will be created once the wind farm begins commercial operation, which is expected by the end of the year.

Additional Capacity

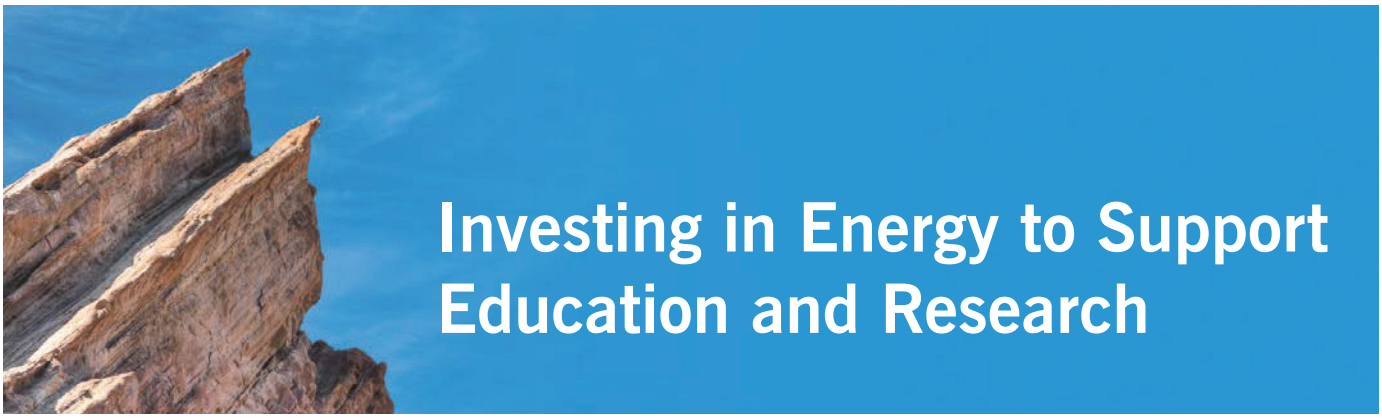
Electricity produced at the Flat Ridge 2 Wind Farm has been sold under long-term power purchase agreements with Associated Electric Cooperative and Southwestern Electric Power Company, a unit of American Electric Power.

As previously announced, BP and Sempra U.S. Gas & Power are equal partners for 419 MW of the wind farm, and are finalizing joint venture agreements for the additional capacity.

Landmark wind: When completed in late 2012, Flat Ridge 2 will be the largest wind farm ever built in Kansas.

The companies also announced that the power from a 51 MW expansion project to be completed in 2012 has been sold under a separate long-term agreement with Arkansas Electric Cooperative Corporation (AECC), a Little Rock-based generation and transmission cooperative.

BP will be the operator of the Flat Ridge 2 Wind Farm and expansion project when they become commercially operational.



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.

Visit **http://earthsci.stanford.edu/alumni/support/pif** if you would like to sell or donate producing oil and gas royalties or learn more, 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.

Stanford Petroleum Investments Funds

PIF
Petroleum Investments Funds

LAAPL LEGISLATIVE AFFAIRS UPDATE

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

BLM Releases Proposed Hydraulic Fracturing Regulations

The Draft Hydraulic Fracturing Regulations proposed by BLM were released on May 4, 2012. The new rule contains three parts:

- ✓ All chemicals used in hydraulic fracturing must be publicly disclosed following the completion of fracking of a given well.
- ✓ New guidelines for how drillers case (enclose) drilled wells, which must be approved prior to drilling the well.
- ✓ Drillers must submit and have approved water management plans prior to drilling — plans that include how the wastewater will be disposed.

The new rules apply only to federal land however, the BLM has stated in the new rule that if the state regulation is more "protective" than the BLM rule, the state rule will remain in effect. If the BLM rule is more "protective" then the BLM rule will apply. The BLM extended the public comment period from 30 to 90 days with the comment period closing on September 10. The final regulations are to be released at the end of this year.

California Department of Conservation Concludes Hydraulic Fracking Seminars

The California Department of Conservation has concluded their Hydraulic Fracking Seminars that were given at seven locations throughout the state. Since California has no regulations specific to fracking, these seminars are part of an information gathering process aimed at the development of regulations governing hydraulic fracking. The next step is the release of draft fracking regulations by the end of 2012, this will be followed by another public comment period and once that input period is concluded and then assessed, the final regulations will be announced. The projected announcement of the final regulations is late Spring or Summer 2013.

In a related issue, in order to better understand current fracking practices, the Division of Oil, Gas & Geothermal Resources (DOGGR) has requested the assistance of California's oil and gas operators to provide voluntary reporting of fracking operations including location and depth of the well, and the chemicals, fluids and proppants used. The operators are to report to Frac Focus, a disclosure registry website managed by the Interstate Oil and Compact Commission and the Ground Water Protection Council, both of which DOGGR is a member.

DOGGR announces New Assessment Rate

The new rate is 14.06207 cents per barrel of oil or 10Mcf of natural gas produced. This is a 10.53 percent increase. The increase is due to the augmentation of DOGGR's regulatory resources, the addition of staff as well as the decline in oil and gas production levels.

California State Appeals Court ruled in favor of the California Air Resource Board

The State Appeals Court upheld CARB's plan to combat global warming with a market-based cap-and-trade system to limit emissions of greenhouse gases. The board's rules, scheduled to take effect in 2013, implement AB32, requires California to reduce greenhouse emission by 2020 to 1990 levels.

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The Boston Consulting Group Delivers Report Analyzing Climate Change Policies

The Boston Consulting Group was retained by Western States Petroleum Association (WSPA) to analyze the likely economic and environmental impacts of California's climate change policies. According to the report, climate change policies like the Low Carbon Fuel Standard are not feasible and cannot be sustained. One of the findings of the report states that fuel production costs could become alarmingly high AND supplies could be dangerously low as soon as 2015-16. To view the entire report, please visit www.cafuelfacts.com.

California Legislature Blocks Audit of CARB

Senator Bob Dutton (R – Rancho Cucamonga) brought a request to the Joint Legislative Audit Committee (JLAC), asking for a six month state audit of California Air Resources Board (CARB) operations and finances. The request was denied by Democratic legislators on the JLAC including, surprisingly, Committee chairman Ricardo Lara (D – Bell). Previous requests from legislatures and industry groups for financial information from CARB, has fallen on deaf ears. In a related issue, 13 associations representing regulated parties, small businesses, and taxpayers, filed a Public Information Act request to obtain information on how the initial $57 million, for the program's first two years, was spent. Some records were released per the request, but nearly 50,000 pages of documents were withheld and therefore a clear picture of how the millions were spent fell short. According to an independent economist who was brought in to examine CARB's financial records, “only 46 percent of 2008-2009 expenditures and only 36 percent of 2009-2010 expenditures claimed by CARB were documented” according to Senator Dutton. Also, “only 40 percent of CARB's claimed AB 32-related costs were documented – with 60 percent remaining unsubstantiated, including expenditures of more than $26 million for salaries and almost $4 million for administrative overhead over a two-year period. The CARB fiscal accountability issue bears close watching as full implementation of AB 32 approaches.

California Legislative Session Ends on Good Note

As to oil & gas interests, the legislative session ended on a good note for the industry, no severance tax bill was introduced and all three hydraulic fracturing bills went down to defeat (AB 591, SB1054 AB 692). Additionally, a State Lands Commission sponsored bill, AB 1054 (Skinner – Berkeley), was narrowly defeated during the final minutes of the session. The bill, (as previously discussed in a past edition of this newsletter) would have required additional steps, including Board approval, before a quitclaim of a lease with State Lands Commission could be finalized.

One piece of legislation that did pass was **AB 1966 (Ma – San Francisco).** This requires notification to surface owners before a mineral owner can come onto the surface. For non-disturbance activity, a 5-day notice will be required upon first entry: for surface disturbance activity, 30 days notice will be required upon first entry. Terms of a surface use agreement will supersede these requirements. Early versions of the bill language included up to 120 days notice and potential forfeiture of profits, both of which were negotiated out of the bill.

The Governor has **30 days to sign or veto all legislation.**

Help Wanted - Occidental Petroleum Corporation (OXY)

Occidental Petroleum Corporation (OXY) is an international oil and gas exploration and production company with operations in the United States, Middle East/North Africa and Latin America regions. Oxy is the third-largest U.S. oil and gas company, based on equity market capitalization. We are currently looking for a Land Negotiator for our office in Houston, Texas.

The broad scope of responsibilities will include the facilitation of all land-related activity within select OXY Business Units or Business Development. The Business Unit Land Negotiator positions will include frequent interaction with the BLM, Forest Service, and private landowners; acquiring oil and gas leases as needed; analysis, negotiation and preparation of various agreements, including leases, farmouts, term assignments and operating agreements; drilling wells—including analyzing title opinions and securing needed curative; active input and participation in the decision making process of various projects; and coordinating the activity of field landmen when needed. Candidates must be able to demonstrate strong knowledge and application of land and negotiating principles, theories and concepts; and have a wide understanding of how Land interacts, advises and collaborates with geoscience, engineering, operations, legal, regulatory and other professional groups. The successful candidates will be located in Houston, TX. One of the Business Unit Land Negotiator positions will be located in Bakersfield, CA.

The Business Development Land Negotiator positions will include attending and reporting out from data rooms, handling all aspects of due diligence and drafting and negotiating purchase and sale agreements. Candidates must be able to demonstrate strong knowledge and application of land and negotiating principles, theories and concepts; and have a wide understanding of how Land interacts, advises and collaborates with geoscience, engineering, operations, legal, regulatory and other professional groups in the acquisition process. The successful candidates will be located in either or both Houston, TX or Midland, TX.

Land Negotiator positions are also available that will report to the VP of Land in Houston, TX. Candidates will need to have similar experience as noted above and meet the criteria under Required Qualifications.

- Bachelor's degree in Petroleum Land Management, Energy Management, Business or a related field
- 5+ years of in-house, broad-based working experience in traditional operations or Business Development Landman/Land Negotiator roles, or other relevant experience
- Permian Basin, Mid-Continent, Rockies, California or South Texas experience preferred
- Ability to handle multiple projects simultaneously, and reach closure within established timeframes
- Excellent verbal/written communication, organization and time management skills Excellent business skills and strong ethics
- Possess strong negotiation skills as well as experience recognizing, analyzing, and resolving difficult negotiating situations
- Outstanding team player with strong interpersonal skills to effectively work within a multi-disciplinary group to achieve project related goals
- Have understanding of applicable county, state and federal regulatory rules and procedures
- Strong ability to work effectively and coordinate activities with other groups in field operations offices, and with other Land Negotiators in Houston
- Strong PC skills, including MS Office Suite

Additional Qualifications:

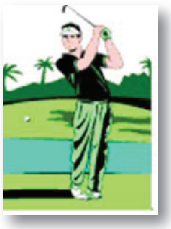
- AAPL and/or local Landman Association memberships, as well as having CPL status, are pluses, but not required

Wouldn't you want to work for a company that ranks # 1 (for the 2nd year in a row) in innovation, people management, use of corporate assets, quality of management, financial soundness, long-term investment, quality of products and services & global competitiveness?

For immediate consideration, email your resume to Samantha_ray@oxy.com

www.oxy.com

2012 Mickelson Golf Classic



The Golf CommitteeSub Heading

Terry Allred, RPL, Land Manager, The Termo Company

Jennifer Parkes, Land Technician, Venoco, Inc.

Pat Moran, RPL, Senior Landman, Venoco, Inc.

Edgar Salazar, Team Lead Land Department, Oxy USA Inc.

The 8th Annual LAAPL Mickelson Golf Classic held at Malibu Golf Club on Friday, August 10th was another major success to benefit the R.M. Pyles Boys Camp. "Pyles" has been a favored beneficiary of the LAAPL annual golf tournament for several years now.

Established in 1949 by Mr. Pyles, a Huntington Beach oilman, R. M. Pyles Boys Camp is dedicated to the task of building healthier and happier generations of productive young Americans, firmly endowed with the ideals and principles of this Nation. Pyles Boys Camp gives a new confidence in life through a high quality and challenging High Sierra wilderness camp experience. R.M. Pyles Boys Camp continues to follow up with year-round programs to support and reinforce values learned at camp.

With the generosity of those who supported the tournament through gifts and sponsorships, the Los Angeles Association of Professional Landmen is happy to announce that it will be contributing the entirety of the tournament net proceeds to Pyles in the amount of **$5,534.51.**

The Malibu Golf Club, located approximately 10 miles inland from the Malibu coast, was sunny and hot this year. So hot that we moved the awards dinner and raffle indoors to the recently remodeled Malibu and Vine Bar and Grill. With a cool 70° degrees indoors, an estimated 45 LAAPL members and guests enjoyed the festive dinner and raffle. The tournament committee rounded up a variety of raffle prizes (along with raffle contributions from several members) so most of those in attendance left with a special gift. As always, the Malibu golf facilities and after golf festivities were enjoyed by all.

The golf tournament was once again sold out with 48 golfers. Our first place team included Chris Boyd, James Drennan, Dan Sparks and Marty Trahan who each carried off a new golf trophy to add to their already sizable collection. It was a challenging day for all the golfers with the temperature in a very un-Malibu like mid-90's. But once indoors the landmen do what landmen do….drink, eat and network until sun goes down.

Of course the young men who attend the R.M. Pyles Boys Camp were the real winners of the day, thanks to the generous contributions of southern California's professional landmen and their respective employers who sponsored this year's LAAPL charity golf event. The LAAPL Membership and Golf Committee extend their sincere appreciation and gratitude to each and every sponsor, attendee, and volunteer for their support and generous contributions to this year's fundraiser.

Sierra Club Sues State Over Approval of Oil Project in Kern Vineyard

By John Cox

"The Bakersfield Californian" Staff Writer
Originally Published in "The Bakersfield Californian" August 16, 2012

The Sierra Club has filed a lawsuit accusing state regulators of approving an oil drilling project in a Kern County vineyard without first conducting a full environmental review.

The suit comes amid heightened tension between oil companies and local farmers over oil exploration. It seeks to annul the project's approval. It also asks the court to declare that the state Division of Oil, Gas and Geothermal Resources violated the California Environmental Quality Act when in early June it exempted Kentucky-based Century Exploration Resources LLC from a full review.

The suit was filed July 13 in Kern County Superior Court. If successful, the suit — which also names Kern County as a party of interest because of its local land use jurisdiction — could force a rethinking of California's oil project approval process.

"It depends what the facts are. But the potential is there" for a significant change to the process, said DOGGR's former top regulator in Kern County, Randy Adams. The county Planning and Community Development Department has primary authority over such projects in Kern. But the department typically does not review oil projects because it considers such projects "by right," meaning that if a company owns mineral rights under a piece of land, it is entitled to drill and produce oil there.

This hands-off approach leaves DOGGR — the division named as a defendant along with its parent agency, the Department of Conservation — in the default position of determining whether to conduct a full CEQA review before approving oil projects. Sometimes it requires the project applicant to pay for a full review, but more often it does not.

The county's planning director could not be reached for comment Thursday, and a DOGGR spokesman declined to comment on the suit.

In the Century Exploration case, the company sought permission to build a 225-foot by 35-foot well pad in an existing vineyard. It proposed to put in a 510-foot by 20-foot access road and an exploratory oil and gas well on the property.

The lawsuit says DOGGR exempted the project from closer review because it represented a "minor alteration to land."

CEQA requires public agencies to research and consider the environmental impacts of development projects before a final approval may be given. Even so, it lists 33 classes of exemptions for approving a project short of a full environmental assessment.

According to the lawsuit, DOGGR's exemption "fails to ... adequately explain the exemption" as required under CEQA. It goes on to say that the agency's exemption contains no evidence showing that DOGGR "undertook a serious and meaningful review of the proposed project, including the possibility that it may have a significant effect on the environment."

The suit's very existence speaks to simmering conflict between the two pillars of Kern's economy — oil and agriculture.

Oil companies' aggressive push into prime local ag land in recent years has upset farmers in the Shafter area. While some farmers stand to gain financially by allowing oil producers to use their land, others do not own the mineral rights under the land they farm.

As a result, some farmers receive no royalty payments from oil producers asserting a legal right of access to the land, including in some cases a need to build drilling pads and new roads. Mr. Cox can be reached at jcox@bakersfield.com.

30th Annual

WEST COAST LANDMEN'S INSTITUTE

West Coast Landmen's Institute

Laguna Cliff's Resort & Spa, Dana Point, California

Wednesday – Friday

September 26th – 28th, 2012

The Bakersfield Association of Professional Landmen (BAPL) and the Los Angeles Association of Professional Landmen (LAAPL) proudly presents the **30th Annual West Coast Landmen's Institute, to be held at Laguna Cliff's Resort & Spa in Dana Point, California.**

As in the past, this year's Institute should prove to be a superb learning opportunity for all land professionals, attorneys, and other professionals who work in the oil and gas industry on California properties. The Registration Fee of $175 ($225 if received after August 26th – $50 more for non-members of the BAPL or LAAPL) and includes institute papers, the Wednesday evening reception and Thursday lunch will be over looking the ocean, and a Continental Breakfast each morning. Thursday Dinner is planned offsite! In addition, we are offering the true "Independents" a reduced rate of $75, but only prior to August 26th!**

****In this context, an Independent Landman is defined as any individual who receives compensation for their services, either on a per diem or hourly basis (1099), and who does not routinely employ other Landmen to work on a contract basis for their benefit. In other words, Brokers and Independents who have assistants do <u>not</u> qualify as an Independent Landman for the discounted registration fee.**

We anticipate AAPL will award Nine (9) RLP Continuing Education Credits or CPL Recertification Credits and One (1) Ethics Credit, for participation in this Institute. AAPL Attendance Affidavits will be available at this event (see confirmed Speaker Line-up on next page).

Registrants should make overnight accommodations directly with *Laguna Cliffs Resort & Spa*, by calling 800.228.9290 or online at Laguna Cliffs Marriott Resort & Spa >> and reference the code **<u>Wclwcla</u>** for the West Coast Landmen's Institute.

We have a limited number of rooms secured a rate of $159 (normally $299) per night at *Laguna Cliffs Resort & Spa*, but you must book your reservation by Monday, August 27th to take advantage of this reduced rate, and room availability is not guaranteed after this date!

Independents: Share a room with another and save!

Individuals will be responsible for their own reservations. You have 72-hours prior to your arrival date in which to cancel your reservation. *All no shows and cancellations within this period will be charged to the individual.* We have guaranteed a minimum number of rooms each night, so we ask you to consider using our block of rooms at Laguna Cliffs Resort & Spa if you plan to rent your lodging in the area for this event. Rooms rates are the same three (3) days prior and three (3) after our event, based on availability.

We have reserved a limited number of tee times for golf on Wednesday afternoon at Talega Golf Club-San Clemente prior to the WCLI) for our participants *($100 per player and includes a box lunch). Please remember to complete the attached Sponsor/Registration form if you wish to play golf or attend the WCLI.*

30th Annual

WEST COAST LANDMEN'S INSTITUTE

West Coast Landmen's Institute

Laguna Cliff's Resort & Spa, Dana Point, California

Wednesday – Friday

September 26th – 28th, 2012

AGENDA

Wednesday, September 26th

Noon	Tee Times at Talega Golf Club-San Clemente
6:30 PM - 9:30 PM	Welcome Reception at the Laguna Cliff's Resort & Spa

Thursday, September 27th

6:30 AM - 7:45 AM	Registration, Breakfast & Networking
7:45 AM - 8:15 AM	Opening Remarks, Agenda Adjustments, Etc.
8:15 AM – 8:20 AM	***"Landman2 Report Update – California"***
	Mike Flores, Legislative Affairs, Law Firm of Luna & Glushon
8:20 AM - 10:20 AM	***"Curing Land Titles"***
	Julie A. Carter, Esq., Law Firm of Day Carter Murphy LLC
	Carlin A. Yamachika, Esq., Law Firm of Day Carter Murphy LLC
	Joshua L. Baker, Esq., Law Firm of Day Carter Murphy LLC
	Ten Minute Break At Halfway Point of Presentation
10:20 AM - 10:30 AM	Break
10:30 AM - 11:30 AM	***"How to Use a Title Opinion"***
	Michael Mills, Esq., Law Firm of Stoel Rives,
	Thomas A. Henry, Esq. Law Firm of Stoel Rives and
	Shannon W. Martin, JD, CPL, Lead Land Negotiator, Vintage Production Company LLC
Noon - 1:30 PM	LUNCH
	Luncheon Guest Speaker
	"Current Issues of Importance to Landmen and the Future Vision of the AAPL"
	AAPL President Jim R. Dewbre, CPL, Vice President – Land,
	Southwestern Energy Company, Houston, TX
~~1:30 PM – 1:45 PM~~	~~***Bureau of Ocean Energy Management – Electronic Filing Update***~~
	~~Elverlene Williams~~
	~~Dept. of Interior~~
	~~Bureau of Ocean Energy Management~~
1:45 PM - 2:45 PM	**"A 'Study' In Cooperative Subsurface Oil & Gas Development Rights"**
	Jack Quirk, Esq., Bright and Brown
2:45 PM - 2:55 PM	Break

Thursday - September 27th (Con't)

2:55 pm - 3:55 pm	***"Agreement with Surface Owners: Diverting the Legal Disasters"*** Ernest Guadiana, Esq., Law Firm of SNR Denton and Paul M. Williams, Esq., Law Firm of SNR Denton
3:55 PM - 4:05 PM	Break
4:05 PM - 5:00 PM	***"Assessing Minerals"*** Paul Cowdery, Director of Sales and Business Development Parcel Quest

Thursday - September 27th

6:00PM – 7:00 PM	Hosted Cocktail Reception Stella's SERIOUS ITALIAN
	Note: Coach will start loading at 5:30 with first Departure at 5:45 to eatery!
7:00PM - 8:30 PM	Dinner Reception Stella's SERIOUS ITALIAN

Friday - September 28th

6:30 AM - 7:30 AM	Breakfast and Networking
7:30 AM - 8:30 AM	***"Alaska Oil -35 Years and 16 Billion Barrels Later"*** Dale Hoffman, CPL, Sr. Staff Landman Pioneer Natural Resources Alaska, Inc.
8:30 AM – 8:45 AM	Break
8:45 AM - 9:30 AM	***"Legislative Update"*** Rock Zierman, CEO California Independent Petroleum Association [CIPA]
9:30 AM - 9:40 AM	Break
9:40 AM - 10:40 AM	***"Global Industry Overview and Predictions"*** Dave Kilpatrick, Kilpatrick Energy
10:40 AM - 10:45 AM	Break
10:45 AM - 11:45 AM	***Ethics – "Oil Spills and the Industry's Responsibilities"*** Anthony C. Marino, Esq. Law Office of Slattery, Marino & Roberts
11:45 AM - 12:15 PM	Closing Remarks and Acknowledgements

Optional Speaker in the event of cancellation:

Allan Shareghi Onshore and Offshore Department of the Interior Bureau of Ocean Energy Management, Regulation and Enforcement	100 Years on California History of Oil and Gas

30TH ANNUAL WCLI REGISTRATION FORM – September 26th - 28th, 2012

Laguna Cliff's Resort & Spa in Dana Point, California

Please register early, as there is limited space!
1) Complete name and company information requested below 2) If you plan to play golf on Wednesday afternoon, please check below and make payment with Registration Fees, and 3) Mail this form with a check payable to **Bakersfield Association of Professional Landmen or BAPL** to:

Mary Costa
PO Box 10525
Bakersfield, CA 93389

- ☐ $175 if paid by August 26th ($50 more for non-members of the BAPL or LAAPL) **OR**
- ☐ $225 if paid after August 26th ($50 more for non-members of the BAPL or LAAPL)
- ☐ $100 (Independents)**, if paid by August 26th ($50 more for non-members of the BAPL or LAAPL) **OR**
- ☐ $225 (Independents)** if paid after August 26th ($50 more for non-members of the BAPL or LAAPL)
- ☐ $150 Spouse/Significant Other (or non-participating Guest) Fee (includes the Wednesday evening reception, Thursday luncheon, Thursday and Friday breakfasts, and Thursday evening dinner)

****In this context, an Independent Landman is defined as any individual who receives compensation for their services, either on a per diem or hourly basis (1099), and who does not routinely employ other Landmen to work on a contract basis for their benefit. In other words, Brokers and Independents who have assistants do not qualify as an Independent Landman for the discounted registration fee.**

Evening Receptions: (X) ☐ Wednesday Welcome Reception 9/26 6:30-8:30pm Number of people: ☐
☐ Thursday Evening Dinner 9/27 6:00-8:30pm Number of people: ☐

Golf: (X) ☐ Talega Golf Course, San Clemente – Wednesday, 9/26 – 12:00PM
Tee Times $100 per person (Includes cart, range balls & lunch) Number of players: ☐

Golf Partners: _____
Please note any preference for golfing partners above.

Payment for Golf must be received in advance! Please make payment at the time of registration.

Name _____ Guest _____

Company _____ Address _____

City _____ State _____ Zip _____

Telephone _____ Email: _____ CPL or RLP # _____

Please Note: The West Coast Landmen's Institute (WCLI) retains cancellation rights. In the extreme unlikely event of cancellation, the WCLI organizing committee will make every attempt to notify all pre-registrants. Refunds requested within two (2) weeks of the Institute will be assessed a $50.00 Administrative Fee.

For questions regarding Registration, please contact Yvonne Hicks at 661.328.5530 or email *yvonne@mavpetinc.com*

For Sponsorships, please call Ron Munn at 661.654.7075 or email rkmunn@chevron.com if you have any questions.

2012 WCLI SPONSORSHIP LEVELS

Company Sponsor Name: _____

Contact Name: _____ **Phone #:** _____

SPONSOR LEVEL BENEFITS	ONE STAR	TWO STAR	THREE STAR	FOUR STAR	FIVE STAR
	$250	$750	$1500	$2500	$5000
Sponsor Ad in Event Materials	Business Card	¼ Page	½ Page	Full Page	Full Page (Premium Location)
Special Designation on Name Badge	☆	☆☆	☆☆☆	☆☆☆☆	☆☆☆☆☆
Recognition at Registration Sign-in	☆	☆☆	☆☆☆	☆☆☆☆	☆☆☆☆☆
Recognition on Event Banners	☆	☆☆	☆☆☆	☆☆☆☆	☆☆☆☆☆
Public Thank You at Event(s) of Your Choice (see below)		☆☆	☆☆☆	☆☆☆☆	☆☆☆☆☆
Authorized to Provide Give-a-ways at Registration			☆☆☆	☆☆☆☆	☆☆☆☆☆
Opportunity to Display Company Info on Sponsor Table				☆☆☆☆	☆☆☆☆☆
Complimentary Event Registration(s)	One (1) Tuition	One (1) Tuition	Two (2) Tuitions	Four (4) Tuitions	Eight (8) Tuitions
Complimentary Spouse/Significant Other		One (1) Guest	Two (2) Guests	Four (4) Guests	Eight (8) Guests
SPONSOR LEVEL CHOICE: (X)					

Please specify which WCLI Event(s) you would like Special Recognition for your Sponsorship:

Notes: ***a)*** *You may sponsor any number of events (not to exceed your total cash sponsor amount).*

b) *In the event more money is raised than needed for the West Coast Landmen's Institute, any excess funds will be retained as seed money for future institutes.*

WCLI EVENTS	REQUIRED SPONSORS	QUALIFYING SPONSOR LEVEL	EVENT CHOICE (X)
Golf Tournament	Any Combination of **Two Stars** *or greater* (minimum of 3 Two Stars)	**Two Stars** or above	
Welcome Reception **Open Bar Sponsors**	Any Combination of **Three Stars** *or greater* (minimum of 3 Three Stars)	**Three Stars** or above	
Welcome Reception	Any Combination of **Four Stars** *or greater* (minimum of 2 Four Stars)	**Four Stars** or above	
Thursday Plated Breakfast	Any Combination of **Three Stars** *or greater* (minimum of 3 Three Stars)	**Three Stars** or above	
Thursday Breaks	Any Combination of **Two Stars** *or greater* (minimum of 5 Two Stars)	**Two Stars** or above	
Thursday Luncheon	Any Combination of **Three Stars** *or greater* (minimum of 3 Three Stars)	**Three Stars** or above	
Thursday Dinner **Open Bar Sponsors**	Any Combination of **Three Stars** *or greater* (minimum of 3 Three Stars)	**Three Stars** or above	
Thursday Dinner	Combination of **Four** and/or **Five Star** Levels (minimum of 4 Four Stars or 2 Five Stars)	**Four Stars** or above	
Friday Plated Breakfast	Any Combination of **Three Stars** *or greater* (minimum of 3 Three Stars)	**Three Stars** or above	
Friday Break	Any Combination of **Two Stars** *or greater* (minimum of 2 Two Star)	**Two Stars** or above	