



The Override

Every Landman Wants One!

Volume VII, Issue VIII

May, 2013



Los Angeles Association of Professional Landmen

Presidents Message

Rae Connet, Esq.
PetroLand Services

Time sure passes quickly when you're having fun!

The past year has seen our association grow and our level of speakers has risen to new heights; it has been my absolute pleasure to serve as President of this Los Angeles Association of Professional Landmen during this time.

I want to especially thank my fellow officers, directors and chairs for a job well done. It is now time for me to pass the gavel on to my successor, Paul Langland, Esq., who I am confident will serve the association well this next year as President.

Please join me Thursday for another great meeting and speakers: Michael Sherman, Esq. and Eric Martin, Esq. for their talk on an important topic.

Inside This Issue:

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

Presidents Message	1
Luncheon Speaker	1
Opinionated Corner	2
Treasury Report	3
New Members and Transfers	3
Chapter Board Meeting	3
Scheduled Luncheon Topics	3
Lawyer's Joke of the Month	4
Officer Election & Guests	4
Misc. Associations News	5
Case of the Month - O/G	6
Case of the Month - R/W	10
Guest Article - SoCalGas	12
Legislative Report	13
Membership Renewal Application	15
Education Corner	16
Save the Date	19
Guest Article - Oil & Gas Earnings	20
2013 Mickelson Golf Classic	22



Meeting Luncheon Speakers

"Pass Through Rights and Pore Space"



Michael Sherman, Esq., is an Associate at Stoel Rives LLP in Sacramento, California. Michael is an oil, gas, and mining attorney in the Environment, Land Use and Natural Resources group. His practice focuses on oil and gas matters, including permitting, transactional and title issues associated with oil and gas exploration and production.

Eric Martin, Esq., is an Associate at Stoel Rives LLP in Portland, Oregon. Eric concentrates his legal practice in the areas of permitting and natural resource development, with an emphasis on oil and gas exploration, production and storage, carbon sequestration and mining.



Opinionated Corner

Joe Munsey, RPL

**Newsletter/Publishing Co-Chair
Southern California Gas Company**

The end is near for your Newsletter/Publishing Co-Chair. Ever aware there is someone lying in wait to replace me weighs heavily my mind. While we still have the capacity to carry on, I would like take this opportunity to express thanks to the following persons for making "The Override" a continuous success; i). The LAAPL executive board and our current president, Rae Connet, Esq. of PetroLand Services. ii). the legal community who have provided the content for our Case/Issue of the Month, iii) Cliff Moore for his willingness to provide editorial oversight; and iv). Star of this award winning publication, Randall Taylor, RPL, of Taylor Land Services.

Rather than twiddle on the keyboard and pound out an article for your reading pleasure, we have relinquished our space to the former head knocker at the County of Orange and then at the County of Los Angeles real properties division. **Chuck West, CCIM, Esq.** currently resides in Cheyenne, WY, and is a licensed Real Estate Broker in CA, WY and TX. He publishes an informative newsletter and we have received permission from Chuck to publish a recent article from his Westline newsletter.

Can Martial Law Happen in the United States?

The martial law concept in the United States is closely tied with the right of habeas corpus, which is in essence the right to a hearing on lawful imprisonment, or more broadly, the supervision of law enforcement by the judiciary. The ability to suspend habeas corpus is often equated with

martial law. Article 1, Section 9 of the US Constitution states, "The Privilege of the Writ of Habeas Corpus shall not be suspended, unless when in Cases of Rebellion or Invasion the public Safety may require it."

In United States law, martial law was limited by several court decisions that were handed down between the American Civil War and World War II. In 1878, Congress passed the Posse Comitatus Act, which forbade military involvement in domestic law enforcement without congressional approval.

At least two American lawmakers have stated on the record that, in their opinion, Section 1031 of the National Defense Authorization Act for Fiscal Year 2012 legalizes or authorizes martial law in the United States. Senator Mark Udall stated "These provisions raise serious questions as to who we are as a society and what our Constitution seeks to protect...Section 1031 essentially repeals the Posse Comitatus Act of 1878 by authorizing the U.S. military to perform law enforcement functions on American soil."

Defense Authorization Act of 2006 (PL 109-364), became law on October 17, 2006. The Act has a provocative provision called 'Use of the Armed Forces in Major Public Emergencies', the thrust of which seems to be about giving the federal government a far stronger hand in coordinating responses to disasters like Hurricane Katrina. Its language also seems to alter the two-centuries-old Insurrection Act, which Congress passed in 1807 to limit the president's power to deploy troops within the United States..."to suppress, in a State, any insurrection, domestic violence, unlawful combination, or conspiracy."

The amended law seems to be a formula for executive branch mischief by issuing Executive Orders, as the new language adds 'natural disaster, epidemic, or other serious public health emergency, terrorist attack or incident' to the list of conditions permitting a President to

take over local authority — particularly if domestic violence has occurred to such an extent that the constituted authorities of the State or possession are incapable of maintaining public order.

Sen. Patrick J. Leahy, D-Vt., warned that the measure virtually invites the White House to declare federal martial law. ... It "subverts solid, longstanding posse comitatus statutes that limit the military's involvement in law enforcement, thereby making it easier for a President to declare martial law," he said in remarks submitted to the Congressional Record on Sept. 29, 2006. President Obama has already suggested the use of Executive Orders to enforce his interpretation of existing gun control laws if Congress does not act. Could not the "wave" of public gun violence be interpreted as "domestic violence" that a state or local authorities could not suppress? Only time will tell.

LAAPL Call for Annual Dues

**Sarah Downs, RPL
Downchez Energy, Inc.
LAAPL Treasurer**

We will begin accepting LAAPL membership dues starting on May 10th until July 1st. See attached Renewal Form for your convenience. Renewal is \$40.00; please send your renewal notices along with your payment as follows:

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

See Membership Renewal Application on Page 15 of this newsletter

2012–2013 Officers & Board of Directors

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

Joe Munsey, RPL
Past President
Southern California Gas Company
949-361-8036

Paul Langland, Esq.
Vice President
Independent
310-997-5897

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

Stephen Harris, CPL
Director
Independent
562-624-3241

Mike Flores
Region VIII AAPL Director
Luna Glushon
310-556-1444

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
Sarah Duffy
Nomadic Land Services
707-815-7253

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

Golf Chair
Jason Downs
Downchez Energy, Inc.
714-841-7465



Chapter Board Meetings

**Adrienne Wiggins, Petroland
Services**

Chapter Secretary

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 May board meeting are as follows:

- New Members
- LAAPL Annual Mickelson Golf Classic
- LAAPL to discuss WCLI
- Upcoming Election Nominations
- 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 16th

Michael Sherman and Eric Martin
STOEL RIVES LLP
“Pass Through Rights and Pore Space”

Officer Elections

September 19th

Jeffrey “Jed” Springer
Demetriou, Del Guercio, Springer &
Francis, LLP

“Gauging the Truthfulness of an
Individual”

November 21st

TBD

December 19th

Christmas Lunch - TBD



Treasurer's Report

As of 4/1/2009, the LAAPL account showed a balance of	\$ 13,748.08
Deposits	\$5,405.00
Total Checks, Withdrawals, Transfers	\$2,204.31
Balance as of 4/30/2009	\$16,948.77
Merrill Lynch Money Account shows a total	\$11,096.90

New Members and Transfers

Jason Downs, RPL Downchez Energy, Inc. Membership Chair

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

New Members

James (Jimmy) Pham
Independent
18 Sorbonne Street
Westminster, CA 92683
(949) 500-0909

Robert John Keyzers
Independent
2033 E. 3rd Street Suite 2F
Long Beach, CA 90814
(661) 965-7488

Bryan Delos Reyes
Independent
2015 8th Street NW Suite 18
Minot, ND 58703
(714) 980-1118

New Member Request

Val K. Hatley
Director, West Coast Region
Percheron Field Services
255 West 5th Street, # 1406
San Pedro, CA 90731
(702) 516-6263

Transfers

None to Report

Corrections

None to Report



Lawyers' Joke of the Month

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

Golden Years Exercise Regime

(For those over 60 this is a great exercise regimen. For you youngsters out there, just keep it in mind until you reach that magic age!)

Begin by standing on a comfortable surface, where you have plenty of room on each side. Be sure to wear comfortable shoes and clothing that does not impair your movements.

With a 5-lb potato bag in each hand, extend your arms straight out from your sides. Hold them there as long as you can. Try to reach a full minute, and then relax.

Each day you'll find that you can hold this position for just a bit longer. Once you have reached 15 minutes (this should take about 2 weeks), move up to 10-lb potato bags (one in each hand). Once again, begin holding each bag with arms fully extended for 1 minute and work your way up to 15 minutes (this might take as much as another 3-4 weeks, but don't give up).

Now move up to 50-lb potato bags, one in each hand, and continue with the same progression until, eventually, you should be able to lift a 100-lb potato bag in each hand and hold your arms fully straight for 15 minutes. (I'm at this level.)

Once you feel confident at that level, try it with 1 medium-sized potato in each bag.



**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

2013 - 2014 Officer Election

The LAAPL's Board of Directors duly appointed L. Rae Connet, Esq., Managing Partner, PetroLand Service, and Paul Langland, Esq., Independent, as Co-chairs of the Nomination Committee put forth the following qualified candidates for officers. The officers will serve from July 1st, 2013 to June 30th, 2014.

Officers will be elected by a vote of membership in attendance at the May 16, 2013, chapter meeting held at the Long Beach Petroleum Club.

President¹ Paul Langland, Esq., Independent

Past President² L. Rae Connet, Esq., Managing Partner, PetroLand Services

OFFICE	CANDIDATE
--------	-----------

Vice President,	<input checked="" type="checkbox"/> Thomas Dahlgren, Land Manager, Warren E & P, Inc. <input checked="" type="checkbox"/> Jason Downs, RPL, Downchez Energy, Inc.
-----------------	--

Secretary	<input checked="" type="checkbox"/> Cliff Moore, Independent <input type="checkbox"/> _____
-----------	--

Treasurer	<input checked="" type="checkbox"/> Sara Downs, RPL, Downchez Energy, Inc. <input type="checkbox"/> _____
-----------	--

Director (Vote for Two Only)	<input checked="" type="checkbox"/> Stephen Harris, CPL, Independent <input checked="" type="checkbox"/> Joe Munsey, RPL, Southern California Gas Company <input checked="" type="checkbox"/> Randall Taylor, RPL, Taylor Land Services, Inc. <input checked="" type="checkbox"/> Diane Ripley, Public Affairs, LA Seismic, LLC <input type="checkbox"/> _____ L. Rae Connet, Esq., Mnging Ptner, PetroLand Services ³
---------------------------------	--

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

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

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

Our Honorable Guests

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

- Bryan Delos Reyes, Independent
- Sharon Sanchez, Independent
- James Pham, Independent
- Dawn Medeiros, Independent
- Genie Casey, Independent
- Robert Stewart, Landman at Signal Hill Petroleum
- David Kessler, Business Development at Concessions International

2013 West Coast Landmen's Institution

This year's **WCLI** is set for September 4th, 5th and 6th at the Marriot Marquis and Marina in San Diego. The tentative topics will be presented in two parts.

- Part I - the technical side of frac'ing – from the industry side and a Los Angeles County water district's perspective, land issues and the legal ramifications.
- Part II – how the industry can do battle with those opposed to frac'ing; and where the politics will come down on the matter from the state and national perspective.

Last but not least, our annual **Dave Kilpatrick** update.

LAAPL Members Accept Appointments on AAPL Committees

The Los Angeles Association of Professional Landmen is pleased to announce that Jason Downs, RPL, of Downchez Energy, Inc. has accepted a committee role on the Golf Committee for the 2013 AAPL Annual Event in Washington D.C.

Furthermore, Sarah Downs, RPL, of Downchez Energy, Inc. has accepted a committee role on the Blood Drive Committee for the 2013 AAPL Annual Event in Washington D.C.

Mickelson Golf Classic Coming August 2, 2013

Jason Downs, RPL
Downchez Energy Inc.
Michelson Golf Classic Chair

As most of us are planning our summer vacations, the LAAPL Golf Committee is happy to add one more summer event that everyone will want to add to their calendar. The 2013 LAAPL Annual Mickelson Golf Classic is scheduled for August 2, 2013, at the Malibu Golf Club.

The LAAPL charity golf tournament is one of the networking and golfing highlights of the year, but is currently limited to 72 golfers. The tournament is open to everyone so please invite your boss, geologist, engineer, secretary, accountant and your spouse to join us for a wonderful day of golfing and camaraderie in Malibu.

We have assembled another Golf Committee with top notch members who are veterans working on this annual event. Committee Members are Ernest Guadiana, Esq., Paul Langland, Esq., Tom Dahlgren, Josh Baker, Chris Cucchiara, Esq, Sarah Duffy, Sarah Downs, RPL, Adrienne Wiggins, Olman Valverde, Esq., Mike Flores, and Pat Moran, RPL. Pat always comes through with the poster board! Thanks again Pat.

Last year's tournament was the best attended LAAPL golf tournament in recent memory. Most importantly, the LAAPL was able to contribute \$5,534.51 to the R. M. Pyles Boys Camp. Tournament details will be circulated to members late Spring.....but mark your calendars now!!

The 2013 challenge, we want to increase the participants this year and are aiming to fill every golfer spot with sponsorship. Get your check books out for the Pyles Boys Camp!

2013 Sponsors to Date:

- Eagle: Bright and Brown
- Eagle: Oxy USA
- Eagle: Occidental Petroleum Corp., California Business Development
- Eagle: PXP
- Eagle: Day, Carter, Murphy
- Eagle: Warren E & P
- Par: Stoel Rives LLP
- Par: Downchez Energy
- Clubhead: Petru Corporation
- Clubhead: The Termo Company

JAMES C. KARO
ASSOCIATES
LAND SERVICES

serving the LA and San Joaquin Basins
303.279.0789

LUNA & GLUSHON
ATTORNEYS

Proudly Serving the Oil & Gas Industry for 30 Years

Dennis R. Luna, Esq., P.E.

Oil and gas acquisitions, project financing of oil and gas pipelines (onshore and offshore), title opinions, pipeline agreements, easements, and major construction contracts

1801 Century Park East, Suite 2400
Los Angeles, CA 90067
www.lunaglushon.com

Ph: 310-556-1444
Fax: 310-556-0444
dluna@lunaglushon.com

Case of the Month - Oil & Gas



“UNITIZATION PROMOTES OIL FIELD DEVELOPMENT”

By

Olman J. Valverde, Esq.

Vickie Chan, Esq.

Luna & Glushon

February 2013



Imagine there is an attractive oil field which lies under multiple parcels of land, and is operated by a single oil company. The operator presents the interest owners (mineral, working interest, royalty, etc.) with a strong offer to develop the field as a unit. Most of the interest owners consider it to be a good idea, however, as is the case many times, some are not interested and decline the offer. The project is threatened because the engineering design and financing requires control of all the land. Is there a way to get around the impasse? In California (and many other states) there is a procedure known as unitization which may provide a legal tool for accessing the minerals of the non-consenting parties in exchange for fair and reasonable compensation.

Unitization provides a means for placing multiple parcels of land into a single unit and authorizing oil and gas exploration companies to extract hydrocarbons from all parcels within the unit, including compulsory participation by non-consenting owners. The procedures are set forth in certain provisions of the Public Resources Code (“PRC”) and California Code of Regulations (“CCR”), and are administered by the Division of Oil, Gas and Geothermal Resources (“DOGGR”). This article provides a brief discussion of those procedures.

I. First Steps

The PRC has detailed provisions for the management, development, and operation of acreage as a unit for the production of oil and gas. (Division 3, Chapter 3.5, Sections 3630 to 3690). The first step in the unitization process is for the oil company to obtain approval of a proposed unit agreement from persons that hold at least three-fourths of the working interest and three-fourths of the royalty interest to the land that will be subject to the proposed unit. (PRC §3642). After the threshold three-fourths approval is obtained, the unit operator begins the administrative process by filing a petition with the State Oil and Gas Supervisor (“Supervisor”) requesting approval of the proposed unit and unit agreement. (PRC §3642).

II. Informational Requirements

The PRC and CCR sets forth requirements for the type of information that must be included with the petition, such as (i) a report with appropriate engineering, reservoir, and geologic data and maps, (ii) certificate indicating that the requisite number of working interest and royalty interest owners have consented, and (iii) names and addresses of all persons listed in the county tax assessor’s records as to having an interest in the lands. (PRC §3653.5; 14 CCR §1853). The Supervisor may request additional data with regard to the petition, which must be submitted by the petitioner or unit operator to the Supervisor within 30 days of the request. (14 CCR §1858).

PRC §3643 should also be consulted when preparing the petition. This section sets forth certain findings the Supervisor must make in order to approve the unit. (PRC §3643). The unit operator is therefore advised to review the nature of the required findings and, more importantly, to make sure the petition is organized and includes the information necessary to support a decision by the Supervisor in favor of the required findings.

III. Notice of Hearing

After the petition is filed, the Supervisor must provide notice to all persons shown by the records of the tax assessor to have an interest in the land proposed for Unit Operation, and shall give written notice to any city within which the land lies and, with respect to land which lies in an unincorporated area, to the county in which the land lies. (PRC §3659). Such city or county or any other interested person may, on any matter relevant to the proposed agreement for operation, submit testimony and evidence for the consideration of the Supervisor. (PRC §3659).

IV. California Code of Regulations

The CCR contains additional information regarding the hearing procedures, including the following:

- A public hearing regarding the petitions shall be held no later than 45 days after the date the petition was filed. (14 CCR §1863(a)).
- If a request for additional data has been made by the Supervisor pursuant to 14 CCR §1858, the hearing shall be held no later than 75 days after the petition was filed. (14 CCR §1863(a)).
- The Supervisor must provide written notice of the hearing no less than ten days prior to the date set for the public hearing. (14 CCR §1864(c)).
- The notice sent by the Supervisor must be sent by regular mail to those persons and entities designated in PRC §3659 and to all persons whose names and addresses have been provided in the petition. (14 CCR §1864(a)).
- The hearing on the petition must be presided over by the supervisor or by a deputy designated by the Supervisor. (14 CCR §1865(a)).
- Within 60 days after the close of the hearing, the supervisor shall issue a written order granting or denying the petition in whole or in part. (14 CCR §1865(c)).
- The written order shall state the facts upon which the Supervisor bases his or her decision and the reasons for the decision. (14 CCR §1865(c)).

V. Protection for Non-Consenting Interest Owners

A. Option to Force a Purchase

The Supervisor's order establishing the Unit is effective and binding upon all persons owning an interest in the Unit Area from its effective date, regardless of whether they consented or did not consent to the Unit. In exchange for being placed into a Unit, non-consenting owners have the right to force a purchase of their lands by the consenting owners. The non-consenting owners in effect are given a "put". A significant aspect of the option right is that, if the option is exercised by the non-consenting interest owner, the Supervisor's order approving the Unit will not become effective until the purchase actually occurs. The operative provisions are as follows:

- The non-consenting owners of any working interest or royalty interest in a tract or tracts of land which is subject of a Unit Agreement has 60 days following the date the Supervisor issues his order to offer his interest for sale. (PRC §3647).
- All working interest owners who consented to the proposed Unit Agreement have the option to purchase such interest in proportion to their respective shares of Unit production. (PRC §3647).
- The order of the supervisor will not become effective unless one or more working interest owners purchase the non-consenting owner's interests in the land. (PRC §3647).

B. Notice of Offer to Sell

- The non-consenting interest owners' written notice of offer to sell their interest must be filed with the district deputy of the district in which the Unit area is located. The notice must contain the following information pursuant to 14 CCR §1881(a):
- An identification of the approved Unit Agreement.
- A description of the tract offered for sale.
- An identification of the oil and gas interest offered for sale, whether royalty interest or working interest, with a reference to any specific lease or contract giving rise to that interest.
- The address where the offeror may receive any notices and communications regarding the offer.
- The price asked.

Within five working days after receipt of the notice, the Supervisor will send copies of the notice to the Unit Operator and all working interest owners who have consented to the Unit Agreement. (14 CCR §1881(b)).

C. Notice of Intention to Purchase

Any working interest owner who wants to purchase the offered interest must file a notice of intention to purchase and give

written notice to the offeror on or before the date provided by the Supervisor, which is no later than 30 days after the date of notice of offer of sale was filed. (14 CCR §1881.5(a)).

Negotiations for the purchase of the offeror's interest must be undertaken in good faith by both the offeror and the purchasers. Negotiations must be concluded on or before the date specified by the Supervisor, which is no later than 60 days after the notice of offer of sale is filed. (14 CCR §1881.5(b)).

If the purchase price is agreed prior to the specified date, the offeror must notify the supervisor immediately in writing, and the parties should expeditiously finalize the sale agreement. The sale agreement must be filed promptly with the Supervisor within 15 days after written notice of the agreed price is given to the Supervisor. (14 CCR §1881.5(c)).

D. Disagreement as to Price

If a disagreement arises with respect to the price at which the interest is to be purchased, either party may request the Supervisor to authorize an arbitration committee to make an independent appraisal of the value of the interest as of the date the supervisor issued his order. (PRC §3647; 14 CCR 1882(a)). The person electing arbitration shall file written notice with the Supervisor within five calendar days of the expiration of the negotiation period. (14 CCR 1882(b)).

The arbitration committee consists of three members, one member appointed by the seller, one member appointed by the purchaser(s), and a third member selected by the other two members. (PRC §3647). The committee is to consider all relevant data and information submitted by the parties, and may seek and consider other information as it deems relevant. (PRC §3647).

The arbitration committee shall determine the fair market value of the interests and fix the price at which the sale shall be consummated. (PRC §3647). The committee's determination is final and binding on the parties. (PRC §3647). However, within 30 days after the committee's determination has been mailed to the concerned parties, the seller or purchaser may have such price judicially determined by filing suit for a declaratory judgment as to the fair market value in the superior court for the county in which the tract involved lies. (PRC §3647).

Case - Oil & Gas
continued on page 9

"It has been almost nineteen years since I founded Venoco, and I remain very excited about the future of our company. We have continued to attract a dynamic, experienced and engaged group of employees, who are creative problem-solvers taking great pride in making Venoco better. Combined with our great long-lived assets, very promising exploration and exploitation opportunities and solid financials, we have an outstanding future."
~ Timothy Marquez, Chairman and CEO

CONTACTS:
Thomas E. Clark, RPL, Executive Land Manager
Patrick T. Moran, RPL, Senior Land Negotiator
Wes Marshall, CPL, Land Manager Unconventional Resources
Craig Blancett, Land Manager Sacramento Basin
Sharon Logan, CPL, Senior Landman
Ed Rushing, Senior Landman
Harry Harper, CPL, Senior Land Manager Special Projects

Corporate Office
Denver, Colorado
(303) 626-8300

Regional Office
Carpinteria, California
(805) 745-2100

Regional Office
Bakersfield, California
(661) 617-8931

VENOCO, INC.

Venoco is an independent energy company engaged in the acquisition, development and exploration of oil and natural gas properties primarily in California. The company was founded in 1992 in Carpinteria, California and has grown to be one of the largest independent producers of oil and natural gas in California.

www.venocoinc.com

VQ
LISTED
NYSE.

The compensation and expenses of the arbitration committee must be approved by the Supervisor. (PRC §3647). If the Unit becomes effective, the expenses will be paid by the working interest owners who participated in purchasing such interest in the proportion they share Unit expenses. (PRC §3647). However, if the Unit does not become effective within the time provided for in the Supervisor's order, the consenting working interest owners who requested the independent appraisal will pay for the expenses proportionately. (PRC §3647).

VI. Appeal

A. Appealing Supervisor's Decision in Court

The decisions and determinations made by the Supervisor are appealable within 60 days of the decision or determination in any court of competent jurisdiction by any person whose interests are affected. (PRC §3654).

B. Binding Upon All Interest

The Supervisor's order is effective and binding upon all person owning an interest in the Unit Area from its effective date. Each person has the right to enforce the provisions of the Unit Agreement whether or not that person expressly consented to the Unit Agreement. (PRC §3658).

VII. Conclusion

The state of California allows for unitization in order to prevent waste and to increase the recovery of oil and gas. The unitization process begins with the operator obtaining consent from the owners of at least three-fourths working interest in the area proposed to be unitized and three-fourths royalty interest in the area proposed to be unitized. After the three-fourths consent is obtained, the operator files a petition with the Supervisor to approve the Unit.

Non-consenting owners are bound by the Unit Agreement if the agreement is approved by the DOGGR supervisor. However, non-consenting owners have a put option, which gives them the right to force a purchase of their land by the consenting owners. If the non-consenting owners exercise their put option, the Supervisor's order approving the Unit will not become effective until the purchase actually occurs.

Olman J. Valverde is an oil and gas lawyer with the law firm of Luna & Glushon. Vickie Chan, Associate at Luna & Glushon, made significant research contributions to this article.



"Beyond Service ...
Solutions"

Corporate Headquarters

725 Town & Country Road
Suite 410 • Orange, CA 9286
Tel: (714) 568-1800
Fax: (714) 568-1805

Visit us on the web: www.spectrumland.com



DOWNCHEZ
ENERGY, INC.

Title 🏠 Leasing 🏠 Document and Database Management 🏠 GIS Mapping

419 Main Street #357 Huntington Beach, CA 92648 🏠 858.699.3353

🏠 www.downchezenergy.com 🏠

Case of the Month - Right of Way



CONDEMN NOW, CEQA-COMPLIANCE LATER? **MAYBE**

*Bradford B. Kuhn, Esq., and
Benjamin Z. Rubin, Esq.
Law Firm of Nossaman LLP*

All Rights Reserved



Acquiring property for public projects typically does not occur until after the project has received environmental approval. While this is the generally accepted rule — and it makes sense for a number of reasons — must a project receive environmental clearance before an agency may begin the property acquisition process?

In a recent published decision, *Golden Gate Land Holdings LLC v. East Bay Regional Park District*, the California Court of Appeal answered no and permitted an agency to proceed in reverse order: filing an eminent domain action prior to its complying with the California Environmental Quality Act.

Will this method work in most circumstances? Probably not; the court's holding appears limited given the unique circumstances involved.

Should public agencies adopt this strategy moving forward? Not without fully understanding the risks.

Should property owners give up on challenging right-to-take in an eminent domain action when an agency fails to follow environmental laws? Not if there is a real advantage to be gained if such an opposition is successful.

Background

As part of developing the San Francisco Bay Trail project, a 400-plus-mile recreational corridor intended to encircle the San Francisco and San Pablo bays, the East Bay Regional Park District sought to acquire about 7.5 acres from Golden Gate Land Holdings. The district offered \$1.686 million for the property, and after no agreement could be reached, the district held a hearing to consider the adoption of a resolution of necessity to authorize eminent domain proceedings.

At the hearing, Golden Gate objected to the adoption of the resolution of necessity due to the district's failure to prepare an environmental impact report to analyze the project and its environmental effects in compliance with the CEQA. The district, over Golden Gate's objections, determined that the project was exempt from the CEQA pursuant to CEQA guidelines, Section 15325, which provides an exemption for transfers of property in order to preserve open space, habitat or historical resources.

The board concluded that it was sufficient to rely on a feasibility study commissioned to determine the best alignment for the Bay Trail segment.

Golden Gate's Petition

Shortly after the district's adoption of the resolution of necessity, Golden Gate filed a petition for writ of mandate and complaint for injunctive relief, asserting the district had violated the CEQA and the eminent domain law.

In response, the district asserted that the notice of exemption under the CEQA only applied to the acquisition of the property — not the construction of the Bay Trail — and that as such, there was no basis to halt the district's acquisition of the property. The district also proceeded with filing its eminent domain action.

The Trial Court's Decision

The trial court partially granted Golden Gate's petition for writ of mandate, concluding: the district had approved a project that included both the proposed property acquisition and the proposed trail improvements, the district's resolution erroneously concluded that the project was exempt from CEQA compliance, and while some authority suggests that CEQA review must be completed before an eminent domain case is initiated, that approach was unpersuasive in this case.

The court allowed the district to move forward with its eminent domain action, but required it to vacate the resolution's conclusion that the project was exempt from the CEQA and instead prepare an EIR. The court also held that the district "must not actually acquire the property without first completing compliance with CEQA."

The Appeal

Golden Gate appealed, arguing that the entire resolution of necessity should be set aside due to the improper CEQA exemption and because the district committed a gross abuse of discretion in making its necessity and least private injury findings without

*Case - ROW
continued on page 11*

first complying with the CEQA.

The Court of Appeal held that the CEQA regulations provided trial courts with flexibility in tailoring a remedy to fit a specific CEQA violation, and in this case, the trial court did not abuse its discretion in concluding that the equities favored allowing the district to proceed with its eminent domain action but not "actually acquire" the property until it complied with CEQA.

The court rejected Golden Gate's argument that the environmental review process would be tainted by allowing the district to proceed with the eminent domain action. Nonetheless, the court stated that the CEQA analysis must be considered on the merits and without regard for the pending eminent domain action or the consequences of abandoning that course of action.

Conclusion

From an environmental-compliance standpoint, the court's decision makes sense. CEQA guidelines Section 21168.9 clearly provides discretion to the trial court to leave certain approvals in place if the court finds that the public agency violated the CEQA. In other words, failure to fully comply with the CEQA should not entirely halt a major public works project.

From an eminent domain-standpoint, the court's decision raises a number of issues, at least if it is read broadly. For instance:

- In adopting a resolution of necessity, a public agency is required to find that the property is necessary for the project and that the project is designed in a manner that is compatible with the greatest public good and the least private injury. How does an agency make these findings when it still needs to conduct its environmental review, and the final project has not been fully identified?
- What if the environmental review process concludes that more or less property is needed for the project? In the case of more property being needed, the agency would have to go back and get a new appraisal, make a new offer and adopt a new resolution of necessity; and in the case of less property being needed, the agency would have to partially abandon the eminent domain action, thereby becoming exposed to an award of attorneys' fees. This does not seem like the best use of public funds.
- Under the court's analysis, the agency can commence eminent domain proceedings, but it cannot "acquire" the property until it completes its environmental review. How does this work? What if the property owner wants to sell the property to the agency — is it prohibited from doing so? What happens if the environmental review process takes years — does the eminent domain action sit on hold in the meantime? Can the agency take prejudgment possession? And if so, how does the court conduct a balancing of the hardships when the project isn't fully defined, and the owner does not know what the full impacts will entail?

Many of these questions likely were not an issue in this particular case. While the case was on appeal, the district secured environmental approvals, vacated its original resolution of necessity and adopted a substitute resolution of necessity in conformance with the certified EIR.

Therefore, when the Court of Appeal addressed the adequacy of the remedy, it did so knowing that an EIR had already been certified for the project and a proper resolution adopted, and as a result, the court may not have considered all the potential ramifications of its holding.

Public agencies should not rely heavily on this decision for a "condemn-then-comply" approach. The CEQA guidelines provide, "CEQA compliance should be completed prior to acquisition of a site for a public project." (CEQA guidelines, Section 15004, subd. (b)(1).)

There is good reason for this; agencies should understand a project's environmental effects — and the public should have an opportunity to weigh in — prior to irretrievably committing funds to property acquisitions. Moreover, the analysis of project alternatives during the environmental review process should not be influenced by prior property acquisitions.

With that said, funding for public projects has become a complex — and highly competitive — process, in which too many agencies are seeking too much funding for too many projects. The result is that funding agencies wield considerable power, and they demand the funds be put to good use in a timely manner. Funding commitments are therefore often tied to agencies quickly "certifying" the right-of-way, meaning securing possession of the needed properties.

When these timelines become unmanageable (especially under California's drawn-out prejudgment possession process), it incentivizes agencies to look for opportunities to expedite the acquisition process, which could include commencing acquisition activities prior to final environmental clearance.

Mr. Kuhn can be reached at bkuhn@nossaman.com and Mr. Rubin can be reached at brubin@nossaman.com.

Guest Article - Southern California Gas Company

SEMPRA ENERGY-SPONSORED SUSTAINABLE ENERGY IN AMERICA 2013 FACTBOOK AVAILABLE ONLINE

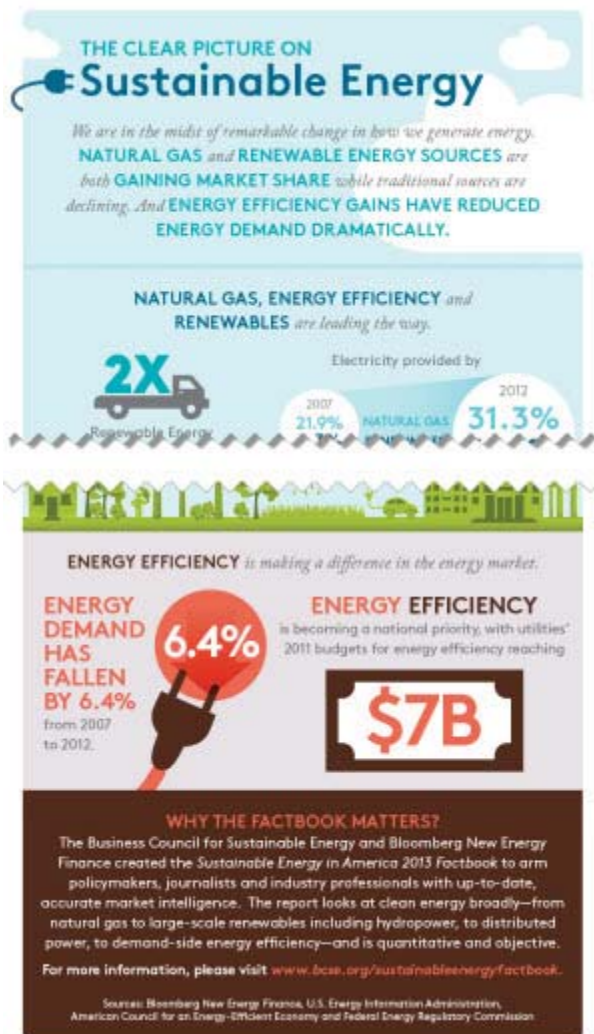
Reprinted from GasLines©

With Permission of Southern California Gas Company

April 2013

All Rights Reserved

Thanks to Sempra Energy and other members of the Business Council for Sustainable Energy (BCSE) there's a new online tool available that can help you access the latest information on our nation's progress in pursuing sustainable energy solutions.



Picture worth a thousand...: The Sustainable Energy in America 2013 Factbook is loaded with energy facts, and supporting charts and illustrations, to help you understand the changing energy landscape in the U.S. This infographic is one.

The Sustainable Energy in America 2013 Factbook, published by the Bloomberg New Energy Finance and the BCSE, features nearly 100 pages of facts and figures including:

- The changing U.S. energy landscape and the latest data on how much sustainable energy is in production and the costs for these technologies.
- How energy efficiency is increasingly becoming a priority.
- The impact of renewables and alternative-fueled vehicles.

Here's an excerpt from the book's executive summary:

A revolution is transforming how Americans produce, consume, and even think about energy. Traditional sources are in decline, while natural gas, renewables and energy efficiency are on the rise. These changes, which show no sign of abating, have far-reaching implications for US economic and national security interests. They are increasing the diversity of the country's energy mix, improving our energy security, and rapidly shrinking our "carbon footprint" -- a major positive development for addressing climate change.

Behind this revolution are a slew of new energy innovations, technologies, and applications. These include: newly applied techniques for extracting natural gas from shale rock formations; lower-cost and higher-efficiency photovoltaic panels for converting sunlight to electrons; highly efficient, natural gas end-use applications; vehicles fuelled by electricity and natural gas; and "smart meters" that allow consumers to monitor, modulate, and cut electricity consumption.

This Factbook -- researched and produced by Bloomberg New Energy Finance and commissioned by the Business Council for Sustainable Energy -- offers a fresh look at the state of US energy along with the roles these new technologies and innovations now play. Its goal is to offer simple, easy-to-understand benchmarks on the contributions these new energy technologies are making today. It also provides information on finance and investment trends in clean energy resources.



LAAPL Legislative Report

LAAPL LEGISLATIVE REPORT

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

SB 241 Oil Severance Tax Passes Out of Committee

A bill to provide \$2 billion in new revenues for public education and state parks passed through its first policy committee Monday with unanimous Democratic member support. The bill, SB 241, would impose a 9.5 percent industry severance tax on large oil companies for the extraction of oil from California's jurisdiction. The Senate Governance and Finance Committee passed the bill. The Senate Governance and Finance Committee passed the bill out with a 5-2 vote and it was supported by student, education, tax and environmental groups, as well as economists. The bill next goes to Appropriations. California is the fourth largest oil producing state in the nation and the only top ten producer that does not impose an oil severance tax.

According to some pundits, SB 241 is a re-hash of previously failed bills and ballot initiatives the want to put a severance tax on Oil. A study for a previous such proposal found that California would loss 10,000 jobs if a severance tax was instituted.

Conversely, with the possible development of the Monterrey Shale, predictions indicate that as many as 200,000 new jobs will be added in California. But, will the interested companies still invest in California if they know that there is a 9.5 per cent tax on every barrel of oil? Interesting question, isn't it?

Severance Tax Ballot Initiative Given Green Light

Secretary of State Debra Bowen has announced that the proponent of a new initiative may begin collecting petition signatures for his measure. The Attorney General prepares the legal title and summary that is required to appear on initiative petitions. When the official language is complete, the Attorney General forwards it to the proponent and to the Secretary of State, and the initiative may be circulated for signatures. The Secretary of State then provides calendar deadlines to the proponent and to county elections officials. The Attorney General's official title and summary for the measure is as follows:

TAX ON OIL AND NATURAL GAS. REVENUES TO EDUCATION, CLEAN ENERGY, COUNTY INFRASTRUCTURE AND SERVICES, AND STATE PARKS. INITIATIVE STATUTE. Imposes 9.5% tax on value of oil and natural gas extracted in California. During first ten years, allocates revenues: 60% to education for classroom instruction (split equally between UC, CSU, community colleges, and K-12 schools); 22% to clean energy projects and research; 15% to counties for infrastructure and public health and safety services; 3% to state parks. Thereafter, allocates 80% to education, 15% to counties, and 5% to state parks. Prohibits passing tax on to consumers through higher fuel prices.

Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: Increased state revenues from a new oil and gas severance tax of \$1.5 billion to \$2 billion per year initially (which could either grow or decline over time), to be spent on public schools, colleges, and universities; clean energy research and development; local infrastructure projects; and state parks. (13-0001.)

The proponent for the measure, Harrison J. Tibbetts, must collect signatures of 504,760 registered voters – the number equal to five percent of the total votes cast for governor in the 2010 gubernatorial election – in order to qualify it for the ballot. The proponent has 150 days to circulate petitions for the measure, meaning the signatures must be collected by September 23, 2013.

Five New Bills Advance Prohibiting Hydraulic Fracturing

The California Assembly Natural Resources Committee advanced three bills that would temporarily prohibit hydraulic fracturing. One measure, AB 1323, from Assemblywoman Holly Mitchell, D-Los Angeles, would halt the practice until an advisory panel analyzes the potential consequences. Another bill, SB 4, by Sen. Fran Pavley, D-Agoura Hills, would prohibit state regulators from issuing fracing permits beginning in January 2015 if an independent scientific study has not been completed. AB1301 from Assemblyman Richard Bloom, of Santa Monica, would stop fracing until further legislation is enacted outlining how it can occur. Two similar bills, AB1323 and AB649, call for creating an advisory committee to review health, environmental, economic and other effects. They also would recommend regulatory changes. Those bills

*Legislative Update
continued on page 14*

Case - ROW

continued from page 13

from Mitchell and Assemblyman Adrin Nazarian, of Sherman Oaks, would require state officials to decide by January 2019 if fracking should occur in California.

Texas Court Allow Defamation Suit by Gas Producer to Proceed

In a case that may have far reaching reverberations across the country, Range Resources Corp. won a Texas appeals court's permission to pursue defamation and business disparagement claims against a Parker County landowner who accused the company of fouling his water well. In the ruling, the 2nd Court of Appeals in Fort Worth let stand two of Range's claims against Steven Lipsky, who sued the company in June 2011 and was countersued a month later. Lipsky's suit came after the Environmental Protection Agency issued an administrative order in December 2010 saying that Range was responsible for contaminating Lipsky's water with dangerous levels of methane and benzene, which can cause cancer. The EPA withdrew its order in 2012 after Range challenged its findings and the Texas Railroad Commission found that the gas in Lipsky's well was most likely from a different source. Range had alleged that the Lipskys and Rich conspired to persuade the EPA to intervene. Range is seeking \$3 million in damages. The appeals court wrote, "We conclude that the trial court did not clearly abuse its discretion by determining that Range had presented clear and specific evidence to establish a prima facie case for each essential element of its defamation and business disparagement claims against Steven Lipsky."

Lawsuit Challenges CARB's Cap and Trade Auctions

The Pacific Legal Foundation(PLF) has filed a lawsuit against the California Air Resources Board (CARB) challenging California's cap and trade regulation. The cap and trade program was created by CARB ostensibly as part of AB 32, California's Global Warming Solutions Act of 2006. "The regulation creates a quarterly auction program requiring many California employers to bid significant amounts of money for the privilege of continuing to emit carbon dioxide — or be faced with closing their doors in California, laying off their employees, and moving their businesses to other states," the PLF explained in a press statement. The PLF said the lawsuit challenges the auction process "as an unconstitutional state tax because it was not enacted by two-thirds majorities in both chambers of the Legislature, as required for new taxes by the California Constitution (Proposition 13 and Proposition 26)." "The California Constitution is crystal clear that new state taxes require at least two-thirds approval in both chambers of the Legislature," said PLF attorney Ted Hadzi-Antich. "The 'cap and trade' auction program is a new state tax that will generate billions of dollars of revenues for the state on the backs of California taxpayers. Because it was not passed by at least a two-thirds majority vote of the Legislature, it is unconstitutional. Case closed."

"CARB's auction program isn't just unconstitutional, it's also an assault on economic and environmental common sense," Hadzi-Antich continued. "California cannot even hope to address global warming issues without widespread participation by other governments. Yet except for the isolated Canadian province of Quebec, no other governments are promulgating similar regulations. As the costs mount and businesses move out of California, other states will welcome them. There's got to be a better, more rational way to deal with the issues than CARB's all-too-transparent scheme to generate billions of dollars for the state through an illegal tax."

THE LAW FIRM OF
BRIGHT AND BROWN

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

550 NORTH BRAND BOULEVARD
SUITE 2100
GLENDALE, CALIFORNIA 91203
(818) 243-2121 OR (213) 489-1414
FACSIMILE (818) 243-3225

PETRU CORPORATION
A Full service Land Company

Oil, Gas, Mineral Land Consulting
Title Consulting / Research
Title Searches / Write-Ups
Water & Geothermal
Management / Administration
Leasing & Land Contracts
Title Engineering
Right-of-Way Consulting
Environmental Studies
Subdivisions / Parcel Maps
Permits / Regulatory Compliance
Expert Witness & Due Diligence
AutoCAD / Map Drafting

TIMOTHY B. TRUWE
Registered Professional Landman
Registered Environmental Assessor

250 Hallock Drive, Suite 100
Santa Paula, CA 93060
(805) 933-1389
Fax (805) 933-1380

<http://www.PetruCorporation.com>
Petru@PetruCorporation.com



MEMBERSHIP RENEWAL APPLICATION

Name of Member _____ Spouse _____
(First, Middle, Last) (First, Last)

Title: _____ Independent [] In-House [] Other []

Business Address: _____

Business Phone: _____ Fax: _____ Cell: _____

e-mail: _____

Company/Firm/Broker: _____

Home Address: _____ Home Phone: _____

Per the Los Angeles Association of Professional Landmen's By-Laws I am renewing as an
[] Active Member [] Associate Member [] Life member [] Honorary Member

Are you interested in working on any of the following with the LAAPL?
[] Board of Directors [] Golf Tournament [] Other as needed

Are you a member of the American Association of Professional Landmen? [] Yes # _____ [] No
Note your AAPL professional designation(s) [] CPL # _____ [] RPL # _____ [] RL # _____ [] ESA # _____

I hereby submit for renewal membership in the LOS ANGELES ASSOCIATION OF PROFESSIONAL LANDMEN, an independent non-profit association dedicated to the understanding, promotion, and advancement of professional Landmen in the State of California, and their fellow workers in the petroleum industry. I attach the annual dues of Forty Dollars (\$40.00) for the fiscal year commencing July 1st.

Date _____ Signature of Applicant _____

For LAAPL Use Only

Date Received: _____ Amount Received: _____ Check Number: _____

Dues accepted for period: _____

Please return this form along with your check payable to the Los Angeles Association of Professional Landmen [LAAPL] to:

Jason Downs, Downchez Energy Inc., Membership Chair
419 Main Street, # 357
Huntington Beach, CA 92648
Jason@downchezenergy.com (858) 699-3353

Educational Corner

EDUCATIONAL CORNER

*Sarah Duffy, Nomadic Land Services
Education Chair*

Need continuing education credit? The American Association of Professional Landmen (AAPL) is committed to providing education seminars and events that support our membership base. Listed below are continuous courses available for the upcoming months. You can also earn credits by attending our luncheons based upon speaker and subject matter. Please visit www.landman.org to browse all of the upcoming nationwide events.

May 2013

Field Landman Seminar

When: May 16, 2013
Where: Fort Worth, TX
RL/RPL Continuing Education Credits: 2.0
CPL Recertification Credits: 0.0
CPL/ESA Ethics Credits: 0.0

JOA Workshop

When: May 17-22, 2013
Where: Washington, PA
RL/RPL Continuing Education Credits: 14.0
CPL Recertification Credits: 14.0
CPL/ESA Ethics Credits: 0.0

Pooling Seminar

When: May 17, 2013
Where: Denver, CO
RL/RPL Continuing Education Credits: 5.0
CPL Recertification Credits: 5.0
CPL/ESA Ethics Credits: 0.0

Basics of Geographic Information System

When: May 29, 2013
Where: Houston, TX
RL/RPL Continuing Education Credits: 5.0
CPL Recertification Credits: 5.0
CPL/ESA Ethics Credits: 0.0

June 2013

RPL Review & Exam – Annual Meeting

When: June 5-6, 2013
Where: Washington, DC
RL/RPL Continuing Education Credits: 7.0
CPL Recertification Credits: 7.0
CPL/ESA Ethics Credits: 1.0

JOA Workshop

When: June 18-19, 2013
Where: Fort Worth, TX
RL/RPL Continuing Education Credits: 14.0
CPL Recertification Credits: 14.0
CPL/ESA Ethics Credits: 0.0

Landman 411 Series: Oil and Gas Leases

When: June 12, 2013
Where: Fort Worth, TX
RL/RPL Continuing Education Credits: 3.0
CPL Recertification Credits: 3.0
CPL/ESA Ethics Credits: 0.0

Due Diligence Seminar

When: June 24, 2013
Where: Houston, TX
RL/RPL Continuing Education Credits: 5.0
CPL Recertification Credits: 5.0
CPL/ESA Ethics Credits: 0.0

WI/NRI Workshop

When: June 14, 2013
Where: Canfield, OH
RL/RPL Continuing Education Credits: 6.0
CPL Recertification Credits: 6.0
CPL/ESA Ethics Credits: 0.0

Oil and Gas Land Review, CPL/RPL Exam

When: June 26-29, 2013
Where: Shreveport, LA
RL/RPL Continuing Education Credits: 18.0
CPL Recertification Credits: 18.0
CPL/ESA Ethics Credits: 1.0

Educational Corner - continued

July 2013

Applied Land Practices

When: July 8, 2013

Where: Cheyenne, WY

RL/RPL Continuing Education Credits: 7.0

CPL Recertification Credits: 7.0

CPL/ESA Ethics Credits: 1.0

Landman 411 Series: Government Lands

When: July 17, 2013

Where: Fort Worth, TX

RL/RPL Continuing Education Credits: 3.0

CPL Recertification Credits: 3.0

CPL/ESA Ethics Credits: 0.0

Pooling Seminar

When: July 12, 2013

Where: Midland, TX

RL/RPL Continuing Education Credits: 5.0

CPL Recertification Credits: 5.0

CPL/ESA Ethics Credits: 0.0

Applied Land Practices

When: July 19, 2013

Where: Fort Worth, TX

RL/RPL Continuing Education Credits: 7.0

CPL Recertification Credits: 7.0

CPL/ESA Ethics Credits: 1.0

Basics of Geographic Information System

When: July 15, 2013

Where: Midland, TX

RL/RPL Continuing Education Credits: 5.0

CPL Recertification Credits: 5.0

CPL/ESA Ethics Credits: 0.0

Oil and Gas Land Review, CPL/RPL Exam

When: July 22-25, 2013

Where: Denver, CO

RL/RPL Continuing Education Credits: 18.0

CPL Recertification Credits: 18.0

CPL/ESA Ethics Credits: 1.0

August 2013

Pooling Seminar

When: August 1, 2013

Where: Grand Rapids, MI

RL/RPL Continuing Education Credits: 5.0

CPL Recertification Credits: 5.0

CPL/ESA Ethics Credits: 0.0

Landman 411 Series: Pooling and Conservation

When: August 19, 2013

Where: Fort Worth, TX

RL/RPL Continuing Education Credits: 3.0

CPL Recertification Credits: 3.0

CPL/ESA Ethics Credits: 0.0

Pooling Seminar

When: August 5, 2013

Where: Shreveport, LA

RL/RPL Continuing Education Credits: 5.0

CPL Recertification Credits: 5.0

CPL/ESA Ethics Credits: 0.0

Oil and Gas Land Review, CPL/RPL Exam

When: August 21, 2013

Where: Corpus Christi, TX

RL/RPL Continuing Education Credits: 18.0

CPL Recertification Credits: 18.0

CPL/ESA Ethics Credits: 1.0

JOA Workshop

When: August 7-8, 2013

Where: Tulsa, OK

RL/RPL Continuing Education Credits: 14.0

CPL Recertification Credits: 14.0

CPL/ESA Ethics Credits: 0.0

WI/NRI Workshop

When: August 23, 2013

Where: Long Beach, CA

RL/RPL Continuing Education Credits: 6.0

CPL Recertification Credits: 6.0

CPL/ESA Ethics Credits: 0.0

Educational Corner - continued

APPL Home Study Program

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
- 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 chhalaszynski@landman.org.

General Credit Courses

[#100](#) Environmental Awareness for Today's Land Professional
Credits approved: 10 CPL/ESA/RPL
\$75.00

[#101](#) Due Diligence for Oil and Gas Properties
Credits approved: 10 CPL/RPL
\$75.00

[#102](#) The Outer Continental Shelf
Credits approved: 5 CPL/RPL
\$37.50

[#104](#) Of Teapot Dome, Wind River and Fort Chaffee: Federal Oil and Gas Resources
Credits approved: 5 CPL/RPL
\$37.50

[#105](#) Historic Origins of the U.S. Mining Laws and Proposals for Change
Credits approved: 4 CPL/RPL
\$30.00

[#106](#) Going Overseas: A Guide to Negotiating Energy Transactions with a Sovereign
Credits approved: 4 CPL/RPL
\$30.00

[#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

[#109](#) Common Law Environmental Issues and Liability for Unplugged Wells
Credits approved: 4 CPL/ESA/RPL
\$30.00

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

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

MPI

MAVERICK PETROLEUM, INC.

Complete Oil and Gas Land Services
1401 Commercial Way, Suite 200
Bakersfield, California 93309
Phone: (661) 328-5530
Fax: (661) 328-5535
e-mail: glp@mavpetinc.com

Lease Availability Checks
Title Searching
Title Curative
Drillsite Title Reports
Lease Negotiations
Surface Damage Negotiations
In House Support

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

Gary L. Plotner
President

BAPL President 1985-86 & 2003-04
AAPL Director 1988-90 & 2002-03 & 2004-05

Serving the Western United States since 1983

Save the Date

31ST ANNUAL

SAVE THE DATE!

WEST COAST



LANDMEN'S
INSTITUTE

When:

Wednesday – Friday
September 4-6, 2013

Where:

Marriot Marquis & Marina
San Diego, CA

Details to follow!

America's Oil and Natural Gas Industry Earnings

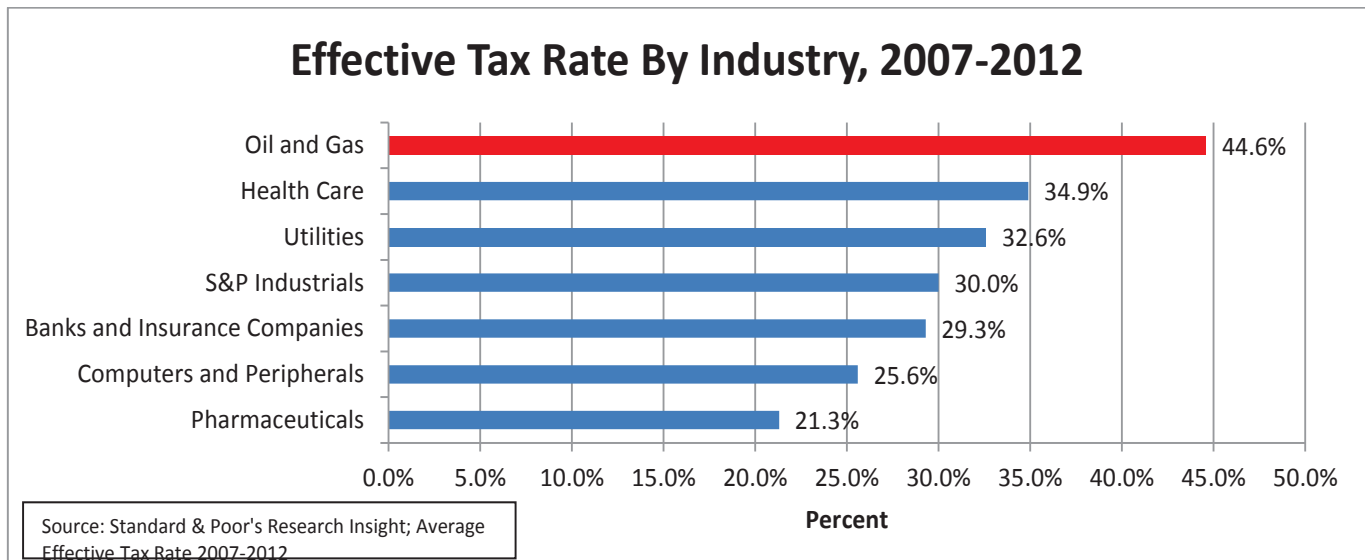
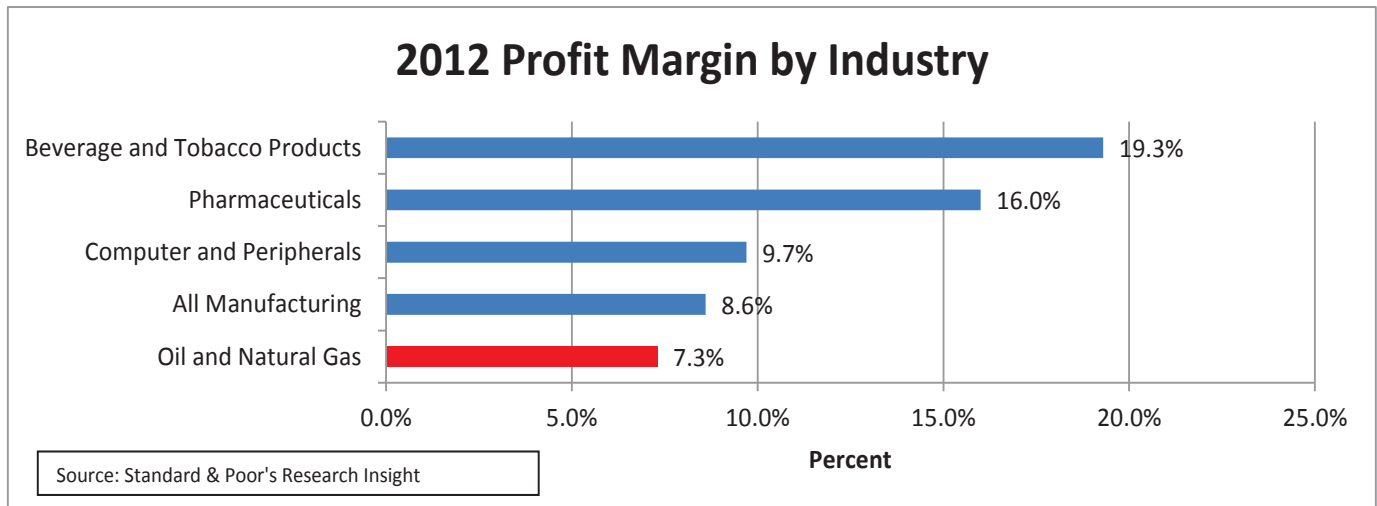
America's oil and natural gas industry supports 9.2 million jobs and contributes to 7.7 percent of our nation's GDP. And every day, the industry pays the Federal Government an average of \$85 million.

Today, America's oil and natural gas industry produces:

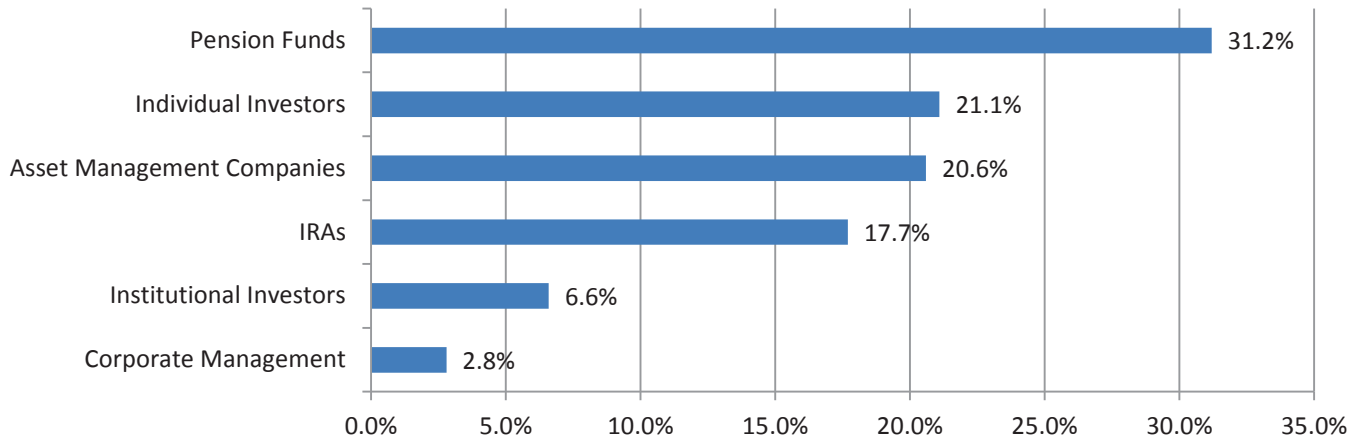
- Nearly 6.5 million barrels of oil per day right here in the U.S.--30 percent more than in 2008.
- Nearly 69 billion cubic feet of natural gas per day right here in the U.S.--20 percent more than in 2008.

Company earnings are released at the end of every quarter and of every year. During 2012, the U.S. oil and natural gas industry earned \$103.7 billion – money used to fund investments in the American economy, produce dividends for shareholders, and pay taxes to the government.

...so how does that compare to other industries?



Ownership of U.S. Oil and Natural Gas Companies



Source: Who Owns America's Oil and Natural Gas Companies , Sonecon October 2011

To learn more, visit www.api.org/tax.



AMERICAN PETROLEUM INSTITUTE

WHO DO YOU WANT TO SUPPORT?



YOUR HOUSE **OR** THE WHITE HOUSE?

WHY SELL NOW?

- Oil prices are dropping and may continue.
- Tax cuts expiring on December 31 means long-term capital gains tax goes from 15% to 23.8% and 35% ordinary income tax to 43.4%.
 - Maximize your estate value now while prices are still high and tax rates are still low.
- Cost average your tax bracket from 43.4% every month to 15% once!

Call or email Noble TODAY to maximize the full value of your asset

J.D. (DOUG) BRADLEY
Sr. V.P., Land Acquisitions & Divestitures

972-788-5839
buying@nobleroyalties.com

NOBLE ROYALTIES, INC.



The 2013 LAAPL Mickelson Golf Classic



The 2013 LAAPL Mickelson Golf Classic



**Los Angeles
Association
of Professional
Landmen**



**Friday, August 2, 2013
Malibu Golf Club**

**901 Encinal Canyon Road
Malibu, California 90265
818.889.6680**

Directions: www.themalibugolfclub.com

The LAAPL cordially invites you to participate in the 2013 LAAPL Mickelson Golf Classic fundraiser, once again to be held in beautiful Malibu. 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 19, 2013**, as only 72 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.

CHECK IN: 9:30 AM
1st TEE TIME: 10:00 AM
DINNER: 4:30 PM

GOLF & DINNER: \$160
GOLF ONLY: \$130
DINNER ONLY: \$35

EVENT SPONSORSHIPS AVAILABLE from \$100

(Please see attached form)



The 2013 LAAPL Mickelson Golf Classic

Hosted by the Los Angeles Association of Professional Landmen

Friday, August 2, 2013 | Malibu Golf Club

GOLF REGISTRATION FORM

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

Jason Downs
Downchez Energy, Inc.
419 Main Street, Suite 357
Huntington Beach, CA 92648

tel. 714.841.7465 or jason@downchezenergy.com
If you have questions or wish to donate raffle prizes, please call.

Name: _____

Name: _____

Email: _____

Email: _____

- Golf Only (\$130)
- Dinner Only (\$35)
- Golf & Dinner (\$160)
- Golf & Dinner (included with sponsorship)

- Golf Only (\$130)
- Dinner Only (\$35)
- Golf & Dinner (\$160)
- Golf & Dinner (included with sponsorship)

Name: _____

Name: _____

Email: _____

Email: _____

- Golf Only (\$130)
- Dinner Only (\$35)
- Golf & Dinner (\$160)
- Golf & Dinner (included with sponsorship)

- Golf Only (\$130)
- Dinner Only (\$35)
- Golf & Dinner (\$160)
- Golf & Dinner (included with sponsorship)

Tournament format will be a 4-man scramble. Prizes will be awarded for 1st place, longest drive, and closest to the pin. **Club Rules:** 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 2013 LAAPL Mickelson Golf Classic - continued



The 2013 LAAPL Mickelson Golf Classic

Hosted by the Los Angeles Association of Professional Landmen

Friday, August 2, 2013 | Malibu Golf Club

SPONSORSHIP FORM

The Los Angeles Association of Professional Landmen is proud to host the 2013 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 **Phone**

Main Contact Name: **Contact e-mail**

Address **City** **State** **Zip**

Please show your support by making a contribution in one or more of the following:

- ____ "TEE SPECIAL": \$100.00
(Includes sponsorship information at tee box for one hole, 1st hole is reserved for hole-in-one sponsor)
- ____ "CLUBHEAD SPECIAL": \$175.00
(Includes your name listed in tournament materials and golf tournament program)
- ____ "PAR": Quarter-page ad - golf tournament program \$250.00
(Includes golf and breakfast/dinner for one player)
- ____ "BIRDIE": Half-page ad - golf tournament program \$500.00
(Includes golf and breakfast/dinner for two players)
- ____ "EAGLE": Full-page ad - plus special recognition in tournament & program \$1,000.00
(Includes golf and breakfast/dinner for a foursome)
- ____ "HOLE IN ONE": Full page ad – plus presenting sponsor status in all tournament materials & program..... \$2,500.00
(Includes golf and breakfast/dinner for two foursomes)

I am enclosing a check payable to LAAPL in the amount of \$_____ and will e-mail my camera ready artwork directly to jason@downchezenergy.com

Please send the completed sponsorship form and your contribution to:
Jason Downs, Downchez Energy, Inc.
419 Main Street, Suite 357, Huntington Beach, CA 92648
Tel. 714.841.7465

Please submit as soon as possible, and no later than July 19, 2013.
If you have any questions or wish to donate raffle prizes, please call Jason Downs.



A broad range of **experience** in providing specialized services to the energy and utility industries.

Anderson Land Services is a Full Service Land Company providing:

- Mineral and Surface Title Reports
- Lease Acquisition
- Right of Way Acquisition
- Drillsite Abstracts
- Due Diligence
- Seismic Permitting
- Surface Damage Settlements
- In-House Support
- Acquisitions & Divestitures
- Title Curative



Joseph M. Anderson, President
joe@andersonlandservices.com

661-873-4020

Fax: 661-323-4001
1701 Westwind Drive, Suite 129
Bakersfield, CA 93301
www.AndersonLandServices.com

CALIFORNIA
EMINENT DOMAIN REPORT



www.CaliforniaEminentDomainReport.com

Follow it.

MAKING IT HAPPEN.
NOSSAMAN LLP

**Nossaman's
Eminent Domain and
Valuation Group**

- Rick E. Rayl, Chair
- F. Gale Connor
- Bernadette Duran-Brown
- David Graeler
- Bradford B. Kuhn
- David J. Miller
- James C. Powers
- Ashley J. Remillard
- Benjamin Z. Rubin
- Michael G. Thornton

www.nossaman.com