

AMERICAN ASSOCIATION OF PROFESSIONAL LANDMEN

Local Association Award

Best AAPL Director's Communication
(During Calendar Year 2024)

Awards Committee Evaluation Form

To be completed by Local Association

Local Association Name: _____

Name of Director: _____

Month Communication Presented: _____

Number of Members in Local Association: _____

ATTACH THIS ENTRY FORM TO COPY OF AAPL DIRECTOR'S COMMUNICATION
(No comments or further explanations will be considered)

To Be Completed By Awards Committee

The following criteria are listed to assist in the evaluation of the AAPL Director's Communication.

<u>Criteria</u>	<u>Points</u>	<u>Score</u>
OBJECTIVITY: Was communication presented in an unbiased manner?	0-6	_____
CLARITY: Were board actions, professional and AAPL issues clearly communicated?	0-5	_____
ANALYSIS: Were key issues identified and concisely presented?	0-5	_____
OVERALL PRESENTATION	0-5	_____
	Total Points	<input type="text"/>

AAPL Director Report for DAPL (Dallas)

Director: Jason Maloy, CPL

Board Meeting: 6/19/2024

Location: Boston, MA

Report Submitted: 6/24/2024

Summary:

The AAPL board meeting coincided with the AAPL Annual Meeting in Boston. The meeting was well attended with the majority of AAPL Directors (or Substitute Directors) and Committee Chairs present. It was reported that the AAPL Annual Meeting had nearly 600 registered attendees, a very well attended Annual Meeting! In addition to the board meeting, I also represented DAPL at the annual Local Association Roundtable where nearly 40 were in attendance and topics included, websites, insurance, email security, outreach and recruiting.

The actual board meeting was on Wednesday, June 19, 2024, and was conducted efficiently and effectively by 2023-2024 AAPL ExCom and AAPL President Brooks Yates.

On Thursday, June 20, 2024, at the AAPL business meeting, AAPL President Brooks Yates passed the gavel to incoming President Nancy McCaskell.

The complete incoming Executive Committee for AAPL includes (2024-2025 term):

- President – Nancy McCaskell
- First Vice President – Kyle Renyolds
- Second Vice President – Mark Caponegro
- Third Vice President – Bill Hackett
- Treasurer – Amy Gwyn
- Secretary – Christine Touchstone

A new Strategic Plan was created by the Strategic Planning Committee – 2023, Chaired by Mike Curry and adopted by AAPL board of directors, *see attached to this report*.

A complete list of the 2023-2024 AAPL Award Winners is *attached to this report*.

AAPL board of directors voted to ratify a vote held earlier in the week by the Executive Committee to hire Le'Ann Callihan as Executive Vice President of AAPL.

AAPL, Inc., Landman Scholarship Trust, Educational Foundation Financials:

- AAPL Treasurer Jerris Johnson did a fine job presenting quarterly financial statements and answering questions from the full board of directors. Although the 2023-2024 budget was approved with a deficit, successful cost reductions and revenue increases have likely provided a surplus for the year. Below are the current asset balances (as of March 31, 2024) for the three AAPL associated entities and the percent change from previous 12 months:
 - AAPL, Inc.: \$42,244,597 (+13.10%)
 - Landman Scholarship Trust: \$9,331,355 (+10.53%)
 - AAPL Educational Foundation: \$5,45,642 (+11.02%)

Executive Vice President, Le'Ann Callihan, EVP Report:

- General information regarding:
 - Personnel

- Events
- NAPE
- Revenue Opportunities
- Membership
- Certification
- Education
- Government Affairs
- Social Media
- Membership:
 - All types:
 - 5/22/2024: 11,251
 - 6/30/2023: 11,438
 - 6/30/2022: 11,380
- Certifications:
 - All types:
 - 2024: 3,853
 - 2023: 4,231
 - 2022: 4,742
- Social Media impressions/engagements (AAPL) from Feb to May 2024:
 - Total Audience: 17,190
 - Organic Impressions: 258,660
 - Engagement: 79,825
- Governmental Affairs tracking:
 - Bills: 569
 - Regulations: 44
 - Judicial Cases: 13
 - Note: In January 2024 AAPL filed a legal brief with the Texas Attorney General regarding whether individuals negotiating wind leases in Texas need a Texas Real Estate License with/from TREC. This issue is ongoing. Please contact Russell Cohen, AAPL Director of Government Affairs at rcohen@landman.org for additional information. *See attached Regulatory Matters information from EVP attached to this report.*
- Employees:
 - Le'Ann Callihan named EVP of AAPL
 - Jodi Gallegos promoted to Director of Operations
 - Andrea Spencer promoted to Director of Communications

Other Business:

- Policy changes presented to BOD and approved as drafted.
- 2026 Annual Meeting location:
 - Salt Lake City, UT
- Next AAPL Board Meetings:
 - June 18-19, 2024 – Boston, MA
 - September 27-29, 2024 – Acme, MI
 - December 6-8, 2024 – San Diego, CA
 - March 14-16, 2025 – Newport, RI
 - June 17-18, 2025 – Kansas City, MO

AMERICAN ASSOCIATION of PROFESSIONAL LANDMEN
Strategic Planning Committee – 2023

STRATEGIC PLAN

To plan is everything, to fail to plan is to plan to fail.

Preamble

Organic changes in the landman profession, declining NAPE revenues, increased expenditures and overhead, and the COVID-19 pandemic are all interrelated factors that have resulted in declining membership and historic and repeated budget shortfalls ultimately creating an existential problem for AAPL. At its inception, NAPE was a temporary solution to a similar problem. Declining revenue from NAPE was a significant contributor to our most recent budget shortfalls. Although NAPE has had a significant impact on AAPL and the stature of the land profession, AAPL is not NAPE. AAPL's current problems can be dealt with from a position of strength if AAPL can remain relevant and provide important services to membership. This committee's charge is to determine if and how AAPL can survive and even thrive with or without NAPE distributions. To meet this challenge, this committee has considered three separate but related issues: **Sustainability, Membership and Member Services.**

Purpose

AAPL's fundamental purpose as a professional organization is to promote the highest standards of performance for all land professionals and to engage in activities and provide member services that advance or raise the stature of land professionals among their peers, other energy professionals and the general public.

Sustainability

Sustainability depends upon the disciplined use of resources to provide critical services to the core membership. Avoidance of deficit spending and effective use of volunteer resources must be a key consideration in all decisions.

Membership

AAPL's core membership, and therefore its identity, is a national network of men and women who consider landwork a profession and who are committed to remaining in the profession.

Member Services

This committee has identified AAPL's critical member services as providing Ethics standards, Advocacy and Education. Critical member services and all other programs should be considered, implemented, and/or maintained to the extent that such services and programs fall within the boundaries of Sustainability.

- ***ETHICS***
 - Code of Ethics

- Having a strong and effective Code of Ethics is critical to the purpose and culture of AAPL. The fact that all members must subscribe to and be bound by a Code of Ethics should be regularly and prominently communicated to the membership, the energy industry and the general public.
- The Code of Ethics only applies to Members, therefore by achieving the status of a highly valued and respected professional organization, AAPL can better enforce our Code of Ethics, and in doing so will strengthen the reputation of AAPL and increase the weight of enforcement.
- Enforcement
 - A Code of Ethics is only effective if it is enforced. Vigorous adherence to the Code of Ethics raises the stature of AAPL members, and in turn increases the effectiveness of enforcement efforts.
 - As a volunteer organization, enforcement ability is limited to the current mechanisms of reprimand, suspension and expulsion with publication.
 - Ethics enforcement activities, including no new ethics complaints during a review period, should be regularly and prominently communicated through all reasonably available means so as to be visible to all interested persons, including the general public and regulators.
- *ADVOCACY*
 - Certification
 - AAPL certification programs provide assurance that the land professional subscribes to a code of ethics, possesses and maintains a defined and tested level of proficiency and is committed to landwork as a profession.
 - Certification should result in a preference in hiring and the potential for better compensation.
 - AAPL must:
 - Maintain high quality and relevant certification programs.
 - Clearly and consistently communicate these qualifications to membership, the energy industry and the general public.
 - Government
 - AAPL must act as the lead advocate for the land professional's right to work and to take actions to support landwork as a profession.
 - AAPL should foster and maintain connections with other related industry advocacy and lobby groups and key political figures.
 - AAPL must:
 - Monitor current and developing issues affecting landwork
 - Clearly and consistently communicate to the membership, the energy industry and the general public, AAPL's activities and successes.
 - Industry
 - Directory
 - An up to date, searchable directory is an important tool for connecting members. At all times, AAPL should maintain a current directory of the members. AAPL should routinely consider its policy concerning whether or not to disseminate directory information to non-members.
 - Forms
 - The AAPL Model Form Operating Agreement is widely utilized and

accepted as a landmark contribution to the energy industry. The newly created Forms Library is a great resource for all AAPL members. AAPL should continue to create and promulgate such forms and routinely augment the Library with new forms that are actively utilized within the land profession.

- NAPE
 - NAPE has been effective in raising the stature of the land professional within the traditional oil and gas industry and was for many years a highly lucrative means of income for AAPL.
 - NAPE and similar activities must be actively leveraged to continue to promote the land profession.
 - AAPL should continue to monitor the success of NAPE and similar activities to ensure that such activities provide financial and advocacy benefits to the membership.
- Jobs/Skills (e.g., job fairs/postings, renewables)
 - A well-employed membership increases the strength and stability of the association.
 - To increase the likelihood of AAPL members being employed, AAPL should effectively promote the membership's skills and capabilities to companies who may utilize those skills.
 - AAPL should work as a conduit to connect membership and companies who utilize services that are provided by land professionals.
- *EDUCATION*
 - Seminars/Programs
 - AAPL must provide education programs promoting ethics and relevant professional development, including entry level and advanced subject matter, in a variety of settings that include both virtual and in-person opportunities.
 - AAPL should consider partnering with affiliated local associations, other energy industry organizations and AAPL accredited universities to leverage expertise and cost benefits, to provide relevant, affordable high-quality programs.
 - AAPL should consider providing resources in connection with energy industry technical and economic subject matter to enhance the land professional's ability to interact with and understand other professional disciplines.
 - Magazine
 - AAPL must provide to its membership a regular periodical in digital and print formats which contains:
 - Notices required by AAPL bylaws and/or policy.
 - Matters important to the normal day to day operation of energy, land, and human resources departments.
 - Current and topical articles of interest to the membership.
 - Reference Resources
 - AAPL should provide a means for members to be informed concerning current legal and regulatory matters affecting the land profession and the energy industries.

- AAPL should provide access to seminar materials, articles, and other resources for researching issues relating to the practice of land professionals.
- Accreditation
 - Undergraduate and graduate level AAPL accredited programs enhance the stature of Landmen as professionals and ensure new members into the profession. The application and accreditation process shall be comprehensive and rigorous and include curriculum review, site visits and requirements for program directors, student membership and energy advisory committees.
 - AAPL must:
 - Provide curriculum guidance and program support for undergraduate and graduate level AAPL accredited programs.
 - Advocate and encourage students to enroll in accredited programs.
 - Articulate benefits: scholarships, student memberships, networking, mentorship, honors/awards.
 - Maintain high quality standards of its accredited programs.
 - Clearly and consistently communicate expectations to programs directors.
 - Participate in events of accredited programs.

Communication

Communication must be a priority.

AAPL must communicate effectively and actively to inform the membership regarding member services and activities.

AAPL must also actively communicate to other disciplines within all energy businesses and the general public regarding the value and the skills that professional landmen bring to every project.

The Role of AAPL Volunteers – Execution.

Execution of AAPL's mission requires the efficient use of volunteer members and staff. AAPL must leverage member volunteers whenever possible to execute AAPL objectives, policies and goals, and to provide subject matter expertise. AAPL staff should support and assist member volunteers and provide continuity to the organization.

Epilogue

After much consideration, the committee has determined that growing membership numbers simply to grow or for the sake of revenue does not properly fit within a strategic plan for AAPL's future as a professional organization. The number of members alone does not assure AAPL of success, longevity or financial well-being. If, however, AAPL recognizes and fulfills its Purpose and consistently provides critical Member Services to the land profession and exercises fiscal responsibility, it will survive, and can thrive. This Strategic Plan is intended to identify and describe AAPL's Purpose and those critical Member Services. Care was taken by the committee to distinguish between "must" and "should". Those actions that AAPL "must" take are the first priority, while those that "should" be taken are dependent upon the applicable facts and AAPL's ability to implement them. How to implement and maintain any particular Member Service is to be determined by AAPL's leadership. This committee cannot foresee the circumstances applicable to any decision subsequent to this plan. Leadership has a duty to exercise sound judgment under all the facts and circumstances known at the time to fulfill AAPL's Purpose.

Strategic Planning Committee Members 2023:

Mark Acree, CPL
Shelly Albrecht, CPL
Michel E. Curry, CPL
Wendy Dalton, CPL
Jim Devlin, CPL
Austin Frye, CPL
Bill Hackett, CPL
Joel Loshak, CPL
Jess Rowe, CPL
Marc Tate, CPL
Lester Zitkus, CPL

Ex Officio: Brooks Yates, CPL
Nancy McCaskell, CPL

2023-24 AAPL Award Winners

2023-24 Award Recipients to be announced in Boston, MA

Lifetime Achievement Award - Jane Crouch, CPL, Denver Association of Professional Landmen
Landman of the Year – Andrew Cooper, CPL, Houston Association of Professional Landmen
Local Association of the Year - Oklahoma City Association of Professional Landmen
Pioneer Award – Le'Ann Callihan
Face of the Industry Award – Hamel Reinmiller, CPL, Tulsa Association of Petroleum Landmen
Best Newsletter Small Association - Los Angeles Association of Professional Landmen
Best Newsletter Medium Association – ArkLaTex Association of Professional Landmen
Best Newsletter Large Association - Houston Association of Professional Landmen
Best AAPL Director's Communication – Denton Smith, CPL , Tulsa Association of Petroleum Landmen
AAPL Best Member Communication – Renee Anderson, Michael Late Benedum Chapter
Largest Percentage of AAPL Membership - Large Association - Lafayette Association of Professional Landmen
Largest Percentage of AAPL Membership – Small Association - Austin Professional Landmen's Association
Largest Growth Percentage of AAPL Membership - Large Association – Lafayette Association of Professional Landmen

Special Awards:

Education – Michelle Phillips, CPL - Houston Association of Professional Landmen
Community Service – Kyle Lesak, CPL - Houston Association of Professional Landmen
Committee Member – Andrew Cooper, CPL - Houston Association of Professional Landmen
Other – Paul Yale, CPL / Debbie Dominguez, RPL / David Harper, CPL / Howard Boigon

Director of the Year:

Outstanding Graduate – Blakeney Boldrick, University of Oklahoma



grantee of the instrument has since conveyed the interest that the correction deed is correcting. The issue, according to TLTA, is that requiring current property owners to monitor real property records for correction instruments filed by their predecessors would be especially burdensome. Since AAPL and TLTA worked well together in moving our Texas SB 604 bill forward last year, TLTA reached out to us at this early stage to see if AAPL and TLTA may be able to work together to advance a bill in the 2025 session. We are still researching the issue at the committee level, and its possible impacts on AAPL members and if our interests are aligned with TLTA.

- **Regulatory Matters:**

- **AAPL Files Legal Brief with Texas Attorney General in Wind Leasing Licensing Request from the Texas Real Estate Commission.** (*Update to March BOD Meeting*) On Jan. 30, AAPL filed a legal brief with the Texas Attorney General in response to the Texas Real Estate Commission (TREC) filing a formal request with the AG asking for a legal opinion as to whether those negotiating wind leases in Texas were required to hold a real estate license under state law. Immediately upon learning of TREC's request, AAPL Governmental Affairs sprang into action and created a plan for submitting our own brief. Upon approval by ExCom, AAPL contracted with outside counsel to expedite the filing before any positions potentially adverse to AAPL members could be solidified. Like other parties who submitted briefs, AAPL took the position that no such license is required and no such specific requirement is provided under the state code, relevant regulations, or judicial precedent. While TREC claimed their request was seeking to clarify a prior landowner dispute involving the negotiation of leases for a wind farm project, historically neither state regulators nor members of the Texas legislature have called for such licensing. In fact, the sponsor of AAPL's successful Texas bill SB 604 also submitted a brief arguing against such a requirement and cited AAPL's bill – which expanded landman exemptions for work in renewables and alternative energy – as support for that position. Texas AG Ken Paxton initially informed TREC that his opinion would be released by May 28, 2024, but the AG's office is still more than 100 legal opinions behind schedule and their office does have the discretion to extend timelines. Our attorney who filed the brief on AAPL's behalf, Wesley Lloyd of Freeman Mills in Fort Worth, is in the process of communicating with the AG's office to get a better sense of their timeline for completion, but as of this board reporting we should expect the AG opinion within the next 3-4 months.
- **Bureau of Land Management Fluid Mineral Leases and Leasing Process Final Rule.** In late April, AAPL Governmental Affairs provided members with access and comprehensive analysis of the Bureau of Land Management (BLM) final rule, *Fluid Mineral Leases and Leasing Process*. Throughout 2023 we also provided members with multiple opportunities to comment on the proposed rule. The rule implements provisions of the Inflation Reduction Act pertaining to royalty rates, rentals, and minimum bids; updates the bonding requirements for leasing, development, and production; and revises some operating requirements. Specifically, the rule will increase royalty rates, rentals, and minimum bids for BLM-issued oil and gas leases and impose a fee for the submittal of an expression of interest for leasing Federal oil and gas. The BLM is also adjusting its cost recovery mechanisms so that project applicants provide a more appropriate share of the BLM's up-front costs for processing these applications. Finally, the BLM is implementing several changes to focus leasing on areas with fewer resource conflicts. Although the rule is slated to take effect June 22, 2024, we also reported that on May 14, Sen. Steve Daines (R-MT) was joined by 12 Republican cosponsors in introducing S.J. Res. 78, a Senate joint