Local Association of the Year Award (Calendar Year 2024)

To be presented to the local association that has achieved the greatest cumulative rating in the following categories: **Best Bulletin/Newsletter**; **Best Member Communication**; **and Best AAPL Director's Communication**. Points will also be included in the cumulative rating for AAPL Membership Retention/Recruitment.

If you wish that your local be considered for this award, please fill in your local association's name and have this form signed by the local association president.

RETURN THIS COMPLETED FORM ALONG WITH ANY ENTRIES FOR THE ABOVE LISTED CATEGORIES.

Local Association: Oklahoma City Association of Professional Landmen

Dan Dickensheet, CPL

Association President

Date

AMERICAN ASSOCIATION OF PROFESSIONAL LANDMEN

Local Association Award

Best Newsletter/Bulletin – Large Association (During Calendar Year 2024)

Awards Committee Evaluation Form

To be completed by Local Association with membership of more than 250
Local Association Name:
Date Newsletter/Bulletin Published:
Number of Members in Local Association:
Is Newsletter Prepared By: Staff Volunteers Only Both
ATTACH THIS ENTRY FORM TO YOUR BEST NEWSLETTER/BULLETIN (nominations that are not attached to a newsletter/bulletin will not be considered).

To Be Completed By Awards Committee

(No comments or further explanations will be considered)

The following criteria are listed to assist in the evaluation of Local Association Newsletters/Bulletins.

<u>Criteria</u>	<u>Points</u>	Score
EDUCATIONAL VALUE TO MEMBERS	0-8	
COVERAGE (Local, National & Industry)	0-7	
GENERAL APPEARANCE AND LAYOUT	0-5	
OVERALL PRESENTATION	0-5	
	Total Points	

Volume 22 Issue 10 WWW.OCAPL.ORG



Oklahoma City Association of Professional Landmen

December 2024

OCAPL President's Letter

As my time as President concludes, I've spent time reflecting on all the years I've volunteered my time for OCAPL. I've learned so much from my fellow board members, chairs, and committee members, which I'll use for the rest of my life. I encourage each member of OCAPL to volunteer their time to help with a committee and bring new insight, alternate views, and ideas of how OCAPL does social and educational events. The best thing for an organization like OCAPL is new faces and ideas to help it grow.

The Christmas party earlier this month was incredible and has always been my favorite event of the year as it brings everyone together to fellowship without guns or a golf club in our hands, as it is typically the bestattended event of the year.

This year, we donated \$45,000 charities: several Rebuilding Together, Susan G. Komen, Cavett Kids, Folds of Honor, Rookie League

Foundation of OK, St. Jude, and OFRB.

I'm excited for Clarke Richards to take over as President, and I know Q&A he'll bring the energy to position he naturally brings to those around him. I've hopefully OCAPL in a good place for him to Christmas Party 15-17 make it even better, which he is more than capable of doing.

Finally, I'd encourage everyone to AAPL Q&A/ come to our events, which, again, Education don't include a gun or golf club. Our Monday Night Meetings and **Educational Lunches** are ways to hear valuable topics and provide excellent networking. The organization is only as good as its membership and leaders, and I'm excited to pass the torch to a younger generation and sit back to watch them make their presence known.

Thank you, Dan Dickensheet, CPL

Points of Interest

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21,22

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2025 CALENDAR OF EVENTS

GO TO WWW.OCAPL.ORG TO REGISTER FOR EVENTS

February 3rd

Educational Luncheon – Petroleum Alliance - Speaker TBA

Monday Night Meeting – Oklahoma History Center - Speaker TBA

March 3rd

Educational Luncheon – Petroleum Alliance - Speaker TBA

President's Night Meeting – Oklahoma History Center - Speaker -Nancy C. McCaskell, AAPL President

April 7th

Educational Luncheon – Petroleum Alliance - Speaker TBA

April 10th

Social Happy Hour - TBA

September 8th

Educational Luncheon – Petroleum Alliance - Speaker TBA

September 11th

Social Happy Hour - TBA

October 6th

Educational Luncheon – Petroleum Alliance - Speaker TBA

October 9th

Social Happy Hour - TBA

Novmeber 3rd

Educational Luncheon – Petroleum Alliance - Speaker TBA

Awards Night – Oklahoma History Center Landman of the Year, Wm Majors Distinguished Service Award, Lifetime Achievement Award

December 1st

Christmas Party - Venue TBA



Energy states wrestle with methane rules as they await Trump

New Mexico and North Dakota are among states trying to manage regulatory changes as the president-elect prepares to return to the White House.

BY:

SHELBY WEBB | 12/16/2024 06:58 AM EST



A flare burns methane from oil production near Watford City, North Dakota. Methane, the largest component of natural gas, retains roughly 80 times more heat over two decades than carbon dioxide.Matthew Brown/AP

ENERGYWIRE | State agencies that worked for years on plans to meet the Biden administration's energy and environmental policies are facing the reality that efforts to tackle methane emissions could be moot once President-elect Donald Trump takes office next month.

Officials from energy-producing states are struggling to figure out which rules will stick, which will likely be trashed and what to do in the absence of definitive information about what happens next. Signals from Washington in the months ahead may determine how plans change in jurisdictions across the country.

"What we need is some certainty over the



long term so we can start planning for reduced emissions and for better uses of our resources," said David Glatt, director of the North Dakota Department of Environmental Quality. "North Dakota is in a prime position to start looking at reduced emissions, if we're not dealing with all this paperwork."

Most of the work to change state-level oversight of the oil and gas industry has been focused on monitoring compliance with new federal rules around the industry's methane emissions.

The Biden administration authored three main rules on methane emissions from the energy sector. Methane, the largest component of natural gas, retains roughly 80 times more heat over two decades than carbon dioxide. One will require operators to pay a \$900 fee for every metric ton of methane leaked over a certain percentage starting in 2025. Another would require fossil-fuel burning power plants, including those burning natural gas, to control 90 percent of their carbon dioxide emissions

through carbon capture and sequestration by 2032. A third requires oil and gas operators to replace old infrastructure with new equipment less prone to leaking, among other things.

Jeff Wood, a partner at the Baker Botts law firm in Washington, said it's common for new administrations to come in and change rules made by previous presidents and EPA administrators. But making changes to some of the methane rules put in place under President Joe Biden may be more difficult, Wood said, thanks largely to the 2022 Inflation Reduction Act.

"The difference this time is, at least with some key aspects of the methane rule regime that's now in place, there's been statutory enactment — most notably the IRA and its methane charge provisions — that need to be carefully navigated in order to make changes," Wood said.





Three issues are at play, Wood said: litigation, prior regulations and more recent regulation. For example, the Inflation Reduction Act added a new section to the Clean Air Act to create a methane emissions and waste reduction incentive program, which directs the EPA administrator to impose and collect charges on excess methane emissions from some oil and gas operations.

Because the IRA amended the Clean Air Act to create the methane fee, Wood said, it would likely take an act of Congress to get rid of it.

A fully GOP-controlled Congress could prevent <u>implementing regulations</u> for the fee through the Congressional Review Act (CRA), or it could repeal the Inflation Reduction Act altogether through budget reconciliation. But both avenues could be difficult to achieve.

The CRA enables rules to be tossed by lawmakers if they were finalized during the last 60 days of the previous session of Congress.

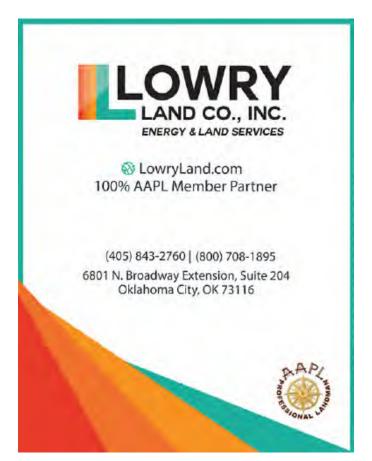
"It's always difficult to adopt regulations under the Clean Air Act that apply in this way," Wood said, adding that people will inevitably disagree over how high the fee should be.

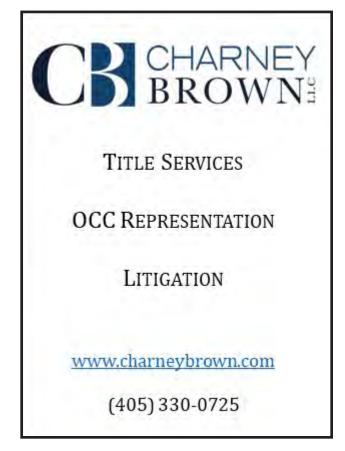
Wood said one key factor is that the methane fee is statutorily grounded in the IRA and accounts for overall compliance with the methane restrictions. He said Congress may decide to revisit the issue.

Texas Republican Gov. Abbott said at an appearance last week that Trump has indicated that he plans to "get rid of the EPA regulations that have tied the hands of the energy sector in the state of Texas."

In a statement Friday, Trump transition spokesperson Karoline Leavitt said the president-elect advanced conservation and environmental stewardship during his first term, while promoting economic growth. Trump's inauguration is set for Jan. 20.

"America's energy agenda under President Trump produced affordable, reliable energy for consumers along with stable, high-paying jobs for small businesses — all while dropping U.S. carbon emissions to their lowest level in 25 years," she wrote. "In his second term, President Trump will once again deliver





clean air and water for American families while Making America Wealthy Again."

There also are various lawsuits working their way through federal courts over other rules. The Supreme Court denied requests to stay EPA's power plant rule and also refused to issue a stay for the rule requiring oil and gas operators to update their infrastructure.

Lawsuits on those issues remain ongoing, but state agencies are still compelled to comply with them — at least for now, said Betsy Peticolas, an attorney for the Railroad Commission of Texas during a recent hearing. The three members of the Railroad Commission have criticized a number of Biden's policies, including its methane rules. In January, they voted unanimously to ask Texas Attorney General Ken Paxton to sue over the methane infrastructure rule.

However, because of the stays, state agencies are still required to submit plans for implementing the rules, Peticolas said. In the case of the methane infrastructure rule, the

Texas Commission on Environmental Quality is responsible, she said.

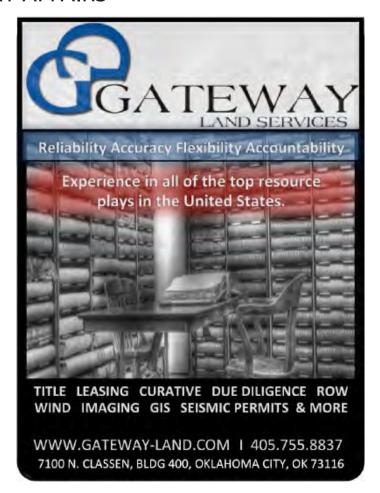
"Because the rule was not stayed, the 24-month deadline for states to submit their respective plans remains in effect," Peticolas said. "To that end, TCEQ is currently working on a rulemaking to promulgate Texas' state plan that will exist to existing oil and gas sources, or what EPA calls designated facilities."

TCEQ declined to comment on its work with the plan and what it plans to do in the period before Trump comes into office.

Glatt, with the North Dakota Department of Environmental Quality, said his office has hired 10 full-time employees to help implement the methane infrastructure rule alone.

"Every company has to submit a report on how they're doing inspections and maintaining facilities. Some of that is helpful, but the timelines and plans coming in from each of the facilities can be onerous," Glatt said. "Doing a lot of paperwork doesn't decrease emissions in our mind."





Some states, however, may feel little impact if the Trump administration or Congress are able to rescind the three main methane rules, thanks to their own regulations.

Forged 'own path'

About a year before the IRA passed, the New Mexico Energy, Minerals and Natural Resources Department, or EMNRD, created some of the strictest rules in the country around methane emissions at the time.

The department — directed by an executive order from Democratic Gov. Michelle Lujan Grisham in 2019 — required oil and gas operators to capture no less than 98 percent of the methane they produce by 2026. It also prohibits routine flaring and venting as of 2026. Flaring is when operators light natural gas on fire, converting it to carbon dioxide when it burns off, and venting disperses methane into the atmosphere unabated.

Melanie Kenderdine, cabinet secretary of EMNRD, said having the state's existing rules

on the books gave New Mexico a leg up when it came to drafting and implementing Biden's methane rules. She said her department is still analyzing what it believes the incoming Trump administration can and cannot do when it comes to methane rules.

"Even if the EPA methane rules go away, New Mexico is positioned to continue protecting its air quality in ways other states don't have, frankly," Kenderdine said in an interview.

Colorado is in a similar situation.

Earlier this year, the state's Department of Public Health and Environment began working on a draft proposal to <u>update a state emissions</u> rule to align the state's regulation with parts of EPA's methane infrastructure rule. The rule would require all operators to account for and reduce greenhouse gas emissions from new and existing infrastructure.

The Colorado Air Quality Control Commission will consider the proposal in February and, if adopted, the changes will go through "regardless of any potential changes to EPA's methane rule in the future," said Leah Schleifer, a spokesperson with the Colorado Department of Public Health and Environment in a statement.

"It's too early for us to speculate on any impacts from the incoming federal administration," Schleifer wrote, adding, "Colorado has always forged its own path in addressing climate change and will continue to do so in the future."

Regardless of state statutes or rule repeals by the Trump administration, some think oil and gas companies will go through with methane reduction measures.

"One of the things we're hearing is that oil and gas companies have invested so much, so many resources and so much into compliance with methane reduction in preparation for the incoming federal rules, that now they are not going to be lobbying against them or for a repeal," New Mexico's Kenderdine said.

Glatt with the North Dakota Department of



Environmental Quality disagreed. He pointed to Project Tundra, a \$2 billion carbon capture project at a North Dakota coal plant, where developers have postponed a final investment decision over concerns with regulatory changes.

"We have permitted a power plant to start building a post combustion combined cycle unit, but with all the uncertainty with new regulations, I think they're having some second thoughts on whether they should proceed," Glatt said.

Oil and Gas Industry Anticipates Regulatory Rollbacks Under Trump

By Rystad Energy - Dec 11, 2024, 4:00 PM CST

Trump's return to the White House is

expected to bring significant changes to US economic, energy, and environmental policies.

- The energy sector is likely to see deregulation and increased LNG exports, but trade tensions with China could impact demand.
- Climate change initiatives may be sidelined as the focus shifts to economic growth and job creation.

As President-elect Donald Trump outlines his priorities for the new administration – falling back on his old habit of announcing major policy initiatives and plans through social media – governments, think tanks and politicians have begun recalibrating their expectations for the next four years. His latest views on tariffs on the US's three largest trading partners were shared on social media platform Truth Social. Policy action by the world's most powerful nation has ramifications worldwide, and it will require other nations to brace for impending changes as the new government takes charge in January.

While presidential polls in the world's most powerful nation always have major implications with respect to global geopolitics and trade, few have been as crucial as the one this month. The latest results come against a highly turbulent backdrop of challenges and upheavals at home and abroad. What was widely expected to be one of the closest elections in recent history instead turned out to be an overwhelming victory for Trump, making an extraordinary comeback following his election loss in 2020. With the US presidency and Senate races called in favor of Trump and Republicans, and the party maintaining its majority in the House of Representatives the new administration will hold full control over Congress.

Macro

Trump is likely to implement universal tariffs on imports to encourage domestic production,



alongwithincentivesforreshoringkeyindustries back to the US. He will most likely reduce the corporate tax rate to 15%, extend individual tax cuts, and eliminate taxes on Social Security benefits. At the same time, he is almost certain to push for a "big bang" of deregulation, which will decrease the regulatory burden and costs for corporate America. On the balance, while tariffs will ultimately be inflationary, tax cuts and deregulation will be deflationary, and it's hard to predict which factors will prevail in the end. On the geopolitical front, Trump will exert maximum pressure on Iran in order to prevent the country from developing a nuclear bomb. His policy may end up reducing Iran's crude export by up to 1.5 million bpd. Currently, China takes up more than 80% of Iranian crude export, which means that Trump's maximum pressure policy will need China's support to succeed. Trump may use the threat of 60% increase in tariffs on China's import as a negotiation tool to gain China's support.

Gas & LNG

President-elect Trump has long-supported energy independence, and his return to the White House signals a shift toward deregulation, faster permitting and an end to the Biden administration's LNG pause —which has helped tighten global balances in the medium term. Trump has vowed to reverse the pause when he takes office. This would benefit developers with pending projects, but the feasibility of fast-tracking these developments remains uncertain and could worsen the supply glut in the medium term.

Trump's push for growing LNG exports could clash with trade tensions, as the reintroduction of tariffs could lead to reduced demand from China. This would have negative consequences, as US LNG projects rely on securing consistent demand from China.

Despite these risks, the Trump administration could still bring major benefits to the US energy sector. By rolling back regulatory barriers and fast-tracking permits, Trump could help ease infrastructure bottlenecks and support long-term US LNG export growth. Additionally, his policies would likely foster a more favorable environment for operators, improving market sentiment and encouraging further capital inflow into energy projects.

The energy transition

The Inflation Reduction Act (IRA) faces potential challenges under a Republican-controlled Congress, particularly its low-carbon energy provisions. However, immediate repeal of key tax credits such as CCUS (45Q), clean energy manufacturing and decarbonization (45X, 48C), technology-neutral clean electricity (48E, 45Y) and clean hydrogen (45V) is unlikely. These programs enjoy bipartisan support disproportionately and benefit states. While speculation Republican-led about the withdrawal of these credits remains premature, the 30D electric vehicle consumer credit is more vulnerable to repeal.

A Republican-led economy may prioritize supply-demand cost dynamics, favoring lower-cost production pathways and fostering demand growth, which may ultimately support clean technology developments. The narrative around global warming might be sidelined in government communications, as seen during Trump's administration, shifting the focus to job creation and economic growth as primary drivers of cleantech advancement.

State-level policies are expected to diverge from federal communications, with coastal states maintaining their clean energy agendas. Nationally, the US may adopt a more oppositional stance on climate-focused initiatives.

US onshore

Overall drilling and completion activity is set to decline by roughly 1% in 2025. With no call on US production and a firming of the gas market in 2025, activity growth in gas basins will offset stagnant to moderately declining activity in oil basins. Efficiency gains across drilling and well stimulation operations also contribute to the negative activity revisions from a rig and frac fleet demand perspective. Barring any immediate short-term change to a call on US oil production, it is difficult to formulate a thesis that would reverse the oilfield service trend in 2025 due to the incoming Trump administration. Trade actions and tariffs on products such as Oil Country Tubular Goods (OCTG) and carbon steel plate material, widely used for pressure vessels in oil and gas facilities, could immediately impact operators' costs. Should Trump implement these measures after retaking the White House, costs to operators would likely increase in these categories, which could impact activity further against a softer oil commodity backdrop.

By Rystad Energy

Questions from the Field

Timothy C. Dowd ELIAS BOOKS BROWN & NELSON

Q: H and W were married and lived in lowa. They owned mineral rights as tenants in common in the State of Oklahoma. Marital bliss comes to an end and H and W get a divorce. The divorce decree awards W all rights to the mineral rights in Oklahoma.

H does not execute any deeds conveying the mineral rights in Oklahoma to W, nor is there a court order in Oklahoma adjudicating ownership of these mineral rights. Is the Iowa divorce decree effective to transfer the interest from H to W as to his 1/2 interest? - G.R.

A: A court in one state cannot directly affect title to real property in another state. In Fall v. Eastin (S. Ct. 1909), the U.S. Supreme Court held that a divorce decree from one state could not directly transfer title in another state. Also, see West v. West (Okla. 1954).

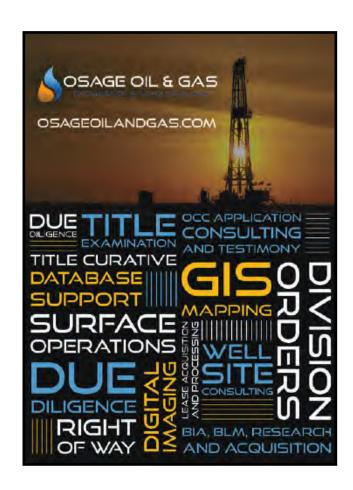
However, a foreign decree can indirectly affect property interests by compelling parties to act, such as ordering a conveyance of property. Ward v. Hahn (Kan. 2017). (A foreign decree or court means any court other than the one where the property is located. It does not necessarily mean another country's court).

In this situation, if the wife wanted to enforce the divorce decree, she has two options. First, depending upon the age of the decree, and whether H was ordered to convey the interests, she could seek a contempt proceeding against H. Alternatively, a separate action is required in the state where the property is located (Oklahoma). In the case of In re Marriage of Kowalewsky (Wash.

2008), the Washington court stated that a separate action is needed to enforce a foreign decree affecting real property.

In such a case, courts in the United States typically recognize and give credence to these divorce decrees if the foreign court had proper jurisdiction and the decree does not violate public policy.

Note: If you have any title questions you want answered, email your questions to INFO@OCAPL.ORG



OCAPL LEGISLATIVE UPDATES

The **60th Oklahoma Legislature** is set to convene its organizational day on January 7, 2025. The first regular session will commence on February 3, 2025. We will continue to monitor regular and special session developments and provide comprehensive updates as legislative matters progress.

PETROLEUM ALLIANCE & OCC RECENT UPDATES

Fish and Wildlife Service (FWS) - Monarch Butterfly — On Dec 12, FWS proposed to list the monarch butterfly as a threatened species under the Endangered Species Act. The listing proposal is accompanied by a proposed critical habitat designation for the species at its overwintering grounds in coastal California. In total, 4,395 acres in Alameda, Marin, Monterey, San Luis Obispo, Santa Barbara, Santa Cruz, and Ventura Counties, California, fall within the boundaries of the proposed critical habitat designation. FWS has scheduled two informational meetings followed by public hearings on Jan. 14 and Jan. 15. Comments are due by March 12, 2025.

Oklahoma Corporation Commission (OCC) - Continuance of the Public Hearings on Proposed changes to Chapter 5 and Chapter 10 — On Dec. 10, commissioners voted to approve a new Notice of Proposed Rulemaking (NOPR) for Chapter 5 — Rules of Practice. OCC has published the amended NOPR and proposed rules that include changes requested by industry and Commissioner David. The NOPR sets technical conferences for Jan. 7 and Jan. 15, with both technical conferences at 1:30 p.m. in the Concourse Theater. Comments are due on Jan. 17. The public hearing for the commissioners to discuss and potentially vote on the Chapter 5 proposed rules will be at 1:30 p.m. on Jan. 22 in the Concourse Theater. The Chapter 10 proposed rules will also be discussed during the public meetings held on Jan. 7 and Jan. 15. The public

hearing for discussion and potential vote on the Chapter 10 proposed rule was continued to the Jan. 22 public hearing.

The OCAPL Legislative Committee expresses its deep gratitude to the Petroleum Alliance of Oklahoma for their pivotal role in shaping legislative changes that safeguard our industry. We also extend our thanks to Angie Burckhalter, Senior Vice President of Environmental and Regulatory Affairs, for her recent regulatory updates. For comprehensive Legislative and Regulatory updates for 2024, visit here.

AAPL GOVERNMENT AFFAIRS

We are pleased to share important updates and resources from the AAPL designed to keep you informed and supported in the ever-evolving legislative landscape of our industry. The <u>AAPL Bill Tracking Reporting Summary</u>, dated December 16, 2024, is a comprehensive spreadsheet that tracks the progress of federal and state legislation relevant to our sector.

The latest <u>AAPL Governmental Affairs Report</u>, dated December 9, 2024, offers insightful analysis and updates on legislative matters that impact our profession.

The AAPL Evaluation Committee welcomes requests for <u>amicus briefs or regulatory support letters</u>, thoroughly reviewing each timely to ensure your voices are heard in critical legislative and regulatory discussions. For other advocacy inquiries, please use the <u>AAPL Governmental Affairs Advocacy Request Form</u>.

EVENTS

PETROLEUM ALLIANCE LEGISLATIVE RECEPTION

Celebrate the beginning of a new legislative session with a reception for state lawmakers. Events like the legislative reception aid The Alliance's advocacy efforts by helping build on existing relationships and forging new ones with lawmakers. It's the perfect opportunity for Alliance members to connect with fellow industry professionals, legislators, and policymakers and share experiences and ideas about policies and regulations impacting the state oil and natural gas industry.

Date and Time

Wed, Feb 19, 2025 5:00 pm - 7:00 pm

More information and registration coming soon.

CONTACT

If you are aware of legislative or regulatory activity you would like the OCAPL Legislative Affairs Committee to review and report on, please contact: Matt McDonald | matt@ce2ok.com | (918) 949-4680 or Sarah Ruiz | ruizland@icloud.com | (405) 371-3661.



County	ASSN	MD	OGL	Grand Total
ROGER MILLS	269	187	168	624
CUSTER	216	176	223	615
GRADY	220	166	36	422
MAJOR	339	57		396
CADDO	132	117	127	376
ELLIS	92	253	16	361
WOODWARD	189	45		234
CANADIAN	72	150		222
STEPHENS	42	137	30	209
PITTSBURG	34	144	5	183
GARVIN	50	109	17	176
DEWEY	109	49	17	175
BLAINE	123	49	2	174
CARTER	61	45	61	167
WASHITA	60	104		164
LINCOLN	30	40	40	110
SEMINOLE	18	75	16	109
BRYAN	10	42	56	108
KINGFISHER	62	40	2	104
HUGHES	21	66	12	99
ALFALFA	77	5	2	84
LOGAN	56	14	8	78
LOVE	29	3	30	62
MCCLAIN	26	21	8	55
HARPER	20	32		52
CREEK	16	27	9	52
LEFLORE	34	9		43
BECKHAM	14	29		43
SEQUOYAH	36	1		37
NOBLE		33		33
PONTOTOC	22	9		31

Only top counties shown. The totals represent the # of tract counts (STRs per instrument) and not the individual instrument count. Trusts listed as Assignees/Grantees/Lessees were not included in the count.

CHRISTMAS PARTY PICS













CHRISTMAS PARTY PICS













CHRISTMAS PARTY PICS







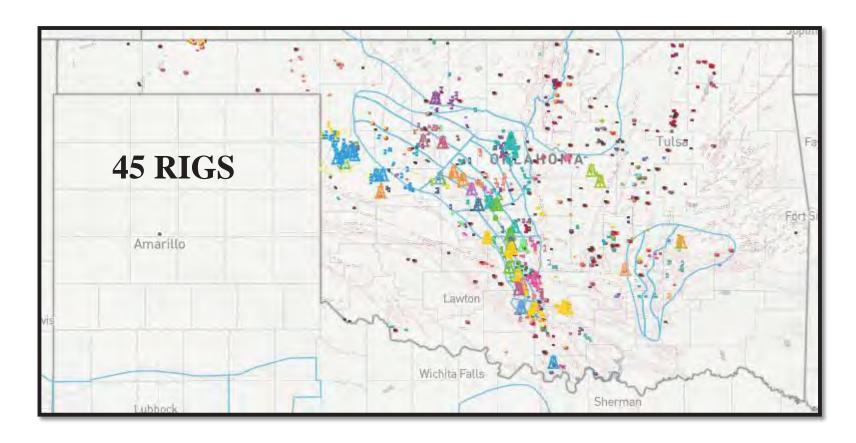






OKLAHOMA RIG COUNT

December 17, 2024



Big thank you to Enverus for providing the data!





FIELD LANDMAN SEMINAR PICS













FIELD LANDMAN SEMINAR PICS















Got Your Certification?!?

Have you been thinking about ways to stand out a bit more in the industry? Obtaining a certification through the AAPL is a great way to do this. The AAPL offers three certification levels from Registered Landman, Registered Professional Landman and up to Certified Professional Landman. Please click on the link below to learn more about these options and apply.

AAPL PROFESSIONAL DEVELOPMENT - CERTIFICATION

Each month the OCAPL Record will highlight questions from past and present AAPL study materials. We hope this provides our members with a taste of what can be expected from the certification process and encourages them to take that next step in their career. Please also see the AAPL Education Calendar below for a list of certification exam reviews coming up.

Questions:

- 1. Most oil and gas leases are unilateral contracts: True or False
- 2. A dispute arises as to the title to a property. Can the lessee suspend royalty payments without paying interest?
- 3. Under a 1989 Model Form JOA, may a party change its election to participate or not participate in a drilling operation prior to the commencement of such drilling operation?

discretion of the partners (Article VIB1 - 1989 Model Form).

. No, there is no specific language that allows this; however, it can still be left up to the

·pəpuədsns

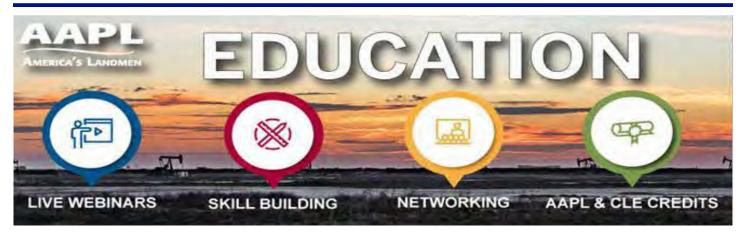
2. Generally, yes. The lessor has usually warranted his/her ownership to some degree; therefore, any disputes as to ownership allows (may even require) that royalty payments be

terminate, among other things.

1. True – The lessee has the ability to release the lease at any time, drill and allow the lease to

Answers:

Adapted from AAPL's RPL/CPL Study Guide. Used with permission.



HEAD OVER TO THE AAPL WEBSITE TO REGISTER FOR ANY OF THE BELOW EVENTS!

Intro to Hard Rock Mining and The General Mining Law of 1872 (January 15, 2025 ñ Webinar)

Co-locating Energy Assets (January 22, 2024 - Webinar)

Just Across the Fence: New Mexico & Texas Separate Regulatory Approaches to Multi-Tract Horizontals

(January 29, 2025 ñ Webinar)

































































































































2024 OCAPL OFFICERS

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*Dickensheet, Dan	dan@horizonenergy.io	President
*Richards, Clarke	clarke.richards@clr.com	Vice President
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Evans, Jay	jaye@revolutionresources.com	Entertainment Co-Chair
Wilson, Tiffany	tiffany.wilson@clr.com	Entertainment Co-Chair
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Kaiser, Danny	danny.j.kaiser@gmail.com	Field Landman Co-Chair
Buckley, Jay	jay@uplandexploration.com	Fishing Tournament Chair
Pinkerton, Chad	chadp@validus-energy.com	Fishing Tournament Co-Chair
Rohlmeier, Heather	hrohlmeier@eliasbooks.com	Fun Run Chair
Elkin, Ron	ron@stephenslandservices.com	Fun Run Co-Chair
Taylor Tinsley	ttinsley@bluestarlandservices.com	Girls Night Out Co-Chair

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*EX	ecutive Officers and Committ	ee Chairman
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Naik, Bhavin	bhavin@aspenergyllc.com	Golf Tournament Chair
Kammerer, Brandon	brandondkammerer@gmail.com	Golf Tournament Co-Chair
Houser, Will	Will.Houser@clr.com	Industry Affairs Chair
McDonald, Matt	Matt@ce2ok.com	Legislative Affairs Chair
Sarah Ruiz	ruizland@icloud.com	Legislative Affairs Co-Chair
Bond Ferguson	bond.ferguson@chk.com	Membership Chair
Brown, Travis	TBrown@mahaffeygore.com	Monday Night Speaker Chair
Shamblin, Clay	clay.shamblin@chk.com	Monday Night Speaker Co-Chair
Chris Harwi	harwi.chris@gmail.com	Monday Night Speaker Co-Chair
*Clark, Josh	josh.clark@mustangfuel.com	Newsletter Chair
McDonald, Katie	katie.mcdonald@ascentresources.com	Newsletter Co-Chair
Watkins, Nick	nick.watkins389@gmail.com	OU Mentor Co-Chair
Winkeljohn, Ray	rwinkeljohn@mewbourne.com	OU Mentor Co-Chair
McConnell, Mike	mmcconnell@ou.edu	OU EM Advisor
Matt Barry	mbarry@bluestarlandservices.com	Public Relations Chair
Carson Walker	cwalker@caminoresources.com	Public Relations Co-Chair
Lowry, Brian	blowry@lowryland.com	Sporting Clays Chair
*Remmert, Chris	cremmert@caminoresources.com	Sporting Clays Co-Chair
*Raney, Grant	grant.raney@impactenergy.us	Website Chair
Tyler Hogland	thogland@gmail.com	Website Co-Chair
Coshow, Larry	lcoshow@zacaleresources.com	Weekend Take Off Co-Chair
Love, Amy	alove@nicholsenergy.com	Weekend Take Off Co-Chair/Special Advisor
Campo, Jeremiah	jeremiah@compass.land	Weekend Take Off Co-Chair
Portwood, Teresa	info@ocapl.org	OCAPL Manager

Advertising Price List for the OCAPL Record

Advertisement Price:

Quarter Page Ad @ \$800 for full year (10 issues) Ad Requirments:

- 3 1/4 wide x 4 1/2 tall
- Ads need to be submitted in PDF or JPG with at lease 150 dpi resolution

Payment is due prior to publication

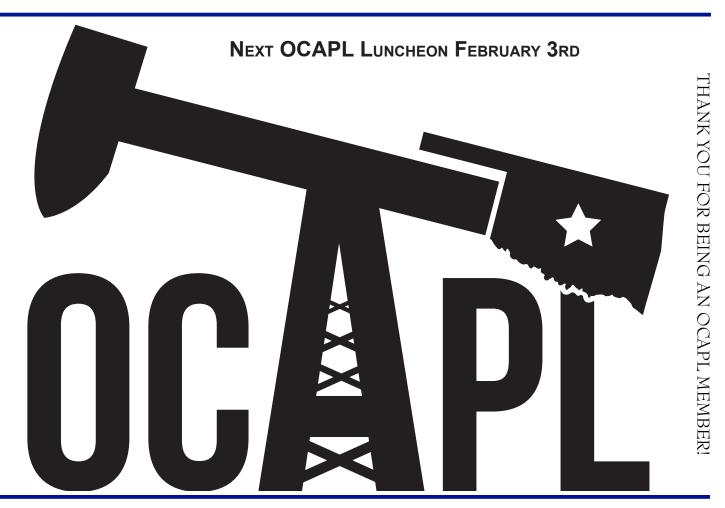
CONDITIONS: All advertising copy is subject to the approval of OCAPL. Where copy is not furnished by the deadline date, the space reserved will be moved to the next issue subject to availability. Advertising is accepted in the order in which it is received until all space is filled.

Oklahoma City Association of Professional Landmen Office

Teresa Portwood
OCAPL Office
P.O. Box 18714
Oklahoma City, OK 73154
info@ocapl.org
Website: www.ocapl.org

Next Newsletter Deadline: January 9, 2025 2024 Newsletter Chair: Josh Clark Josh.clark@mustangfuel.com

Prepared by Dustin Burton



AMERICAN ASSOCIATION OF PROFESSIONAL LANDMEN

Local Association Award

Best Member Communication (During Calendar Year 2024)

(Burning Guioridai 16di 2021)

Awards Committee Evaluation Form

	To be completed by Local Association
Local As	sociation Name:
Member I	Name:
Title of C	ommunication:
Date Pres	sented or Month Published:
<u> </u>	ATTACH THIS ENTRY FORM TO COPY OF WRITTEN COMMUNICATION
	<u>OR ORAL TRANSCRIPT</u>
	(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 Member Communication.

<u>Criteria</u>	<u>Points</u>	<u>Score</u>
EDUCATIONAL/MOTIVATIONAL VALUE	0-6	
INTEREST TO OTHERS	0-5	
ORIGINALITY OF WORK	0-5	
OVERALL PRESENTATION	0-5	
	Total Points	

Questions from the Field

Timothy C. Dowd ELIAS BOOKS BROWN & NELSON

Q: In 2023, the Texas Supreme Court issued a decision regarding double fractions in mineral reservations. In essence, 1/16 was interpreted to mean one-half of the interest. Has Oklahoma had similar cases? – A.B.

A: In 2023, the Texas Supreme Court handed down an opinion in Van Dyke v. Navigation Group (Tex. 2023), which held that courts interpreting "antiquated instruments" that use 1/8 within a double fraction deed must begin with the rebuttable presumption that 1/8 refers to the entire mineral estate. This ruling arises from the long tradition of paying a 1/8 royalty to a mineral owner who owns 100% of a mineral interest.

Oklahoma has also had cases involving double fraction conveyances and whether the conveyance or reservation of 1/16 meant 1/2 or 1/16.

In Hinkle v. Gauntt (Okla. 1949), the deed from Hinkle to Gauntt in 1919 reserved a 1/16 interest in the oil and gas deposits that may be developed and also an undivided 1/2 interest in the bonus or royalty of the oil and gas lease now existing against the land. The Hinkle court held that a 1/16 interest meant a 1/16 interest in the 1/8 royalty where oil was subsequently produced under a lease executed after the date of the deed. The court clarified that purchasing 1/16 of the minerals entitled the purchaser to 1/16 of the 1/8 royalty, not 1/2 of the royalty interest.

Taken together, the land professional might be inclined to believe that in this case 1/16 meant 1/2. Despite the language which would suggest that 1/16 meant 1/2, the court held that the 1/16 meant a 1/16 interest in the 1/8 royalty. In other words, the court held there were two different interpretations depending on what was being produced and the future rights under the lease.

In Zemp v. Jacobs (Okla. 1985), land was conveyed by a warranty deed reserving an interest as follows:

Said first party requires said second party to keep said land under Oil or gas Lease to some responsible and reliable Oil or Gas Company at all times if demand therefor, satisfactory to said first party, at expiration of any Oil or gas lease on said land.

The Grantors herein specifically reserve and retain an undivided one-sixteenth (1/16) of all Oil and Gas produced from said land and also reserve to themselves an undivided One Half of all Oil and Gas rentals and bonuses under any Oil and Gas Lease affecting said real estate or in any future Oil and Gas Lease on the above described premises...

The grantors claimed a 1/16 royalty interest. The grantees brought suit to establish that the interest reserved was a 1/16 mineral interest. The Oklahoma court held that the interest reserved was a mineral interest:

The Oklahoma Supreme Court stated:

Thus, while the actual hydrocarbon reservation for "oil and gas produced from said land" would tend to indicate that a 'royalty' interest was created, this is negated by the [grantors] retention of rights in the critical factors indicative of a mineral interest: the executive right, or the right to grant leases, and the right to receive rentals and bonuses.... Consequently, we hold that the [grantors] created... a mineral interest and that the mineral interest has the right to receive 1/16 of the royalty under any lease existing on the realty.

The court ignored the careful draftsmanship that clearly spoke of 1/16 of all oil and gas produced. From the whole deed it seems apparent that a drafter sought to retain the equivalent of a one-half interest in the minerals while making it clear that the grantee was solely responsible for leasing. However, the court ruled that 1/16 meant 1/16.

When a land professional looks at these deeds, it is important to look at the language involved. In the event that one can take away a general rule from the cases, it is that in the interpretation of the deeds, a court will rule that 1/16 means 1/16 and not 1/2.

Note: If you have any title questions you want answered, email your questions to <a href="https://linear.com/instance/linear.c

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 As	ssociation Name:
Name of	Director:
Month C	Communication Presented:
Number	of Members in Local Association:
ATTA	ACH THIS ENTRY FORM TO COPY OF AAPL DIRECTOR'S COMMUNICATION
AIIA	(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.

Criteria	<u>Points</u>	Score
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	

AMERICAN ASSOCIATION OF PROFESSOINAL LANDMEN

QUARTERLY BOARD of DIRECTORS MEETING, Boston, MA June 19, 2024

The AAPL Quarterly Board Meeting was held on June 19th, 2024 at The Hilton Boston Park Plaza. Brooks Yates, AAPL President, called the meeting to order. The invocation was given by Jerris Johnson, followed by the Pledge of Allegiance. Next, the introduction of guests along with roll call of the Executive Committee, Directors and Committee Chairs. New Directors/Temporary and Sub-Directors were seated. Upon adoption of the agenda, the minutes from the last board meeting on March 10th, 2024 were adopted by acclamation.

Financials

Treasurer's Report: Jerris Johnson, CPL, Treasurer, provided a report on AAPL and its affiliates for the period ending March 31, 2024 as follows:

Statement of Financial Position

- Compared to March 31, 2023, total assets have increased from \$37,355,925 to \$42,244,597, a change of \$4,888,672 or 13.1%. The increase is primarily due to market activity related to the investment account and not drawing down on the investment account for cash flow during the last 12 months. There have been no transfers from the investment account since fiscal year '22-'23, when \$2.0M (operating purposes) was transferred from the investment account. During fiscal year 21-22, \$4.0M (operating purposes) and \$100k (AAPL board-designated EF disaster relief funds) were transferred from the investment account. Additionally, Due from Affiliates increased due to the NAPE management fee due from NAPE Management, LLC. Investments increased due to the capital contributions of \$250,000 to the LKCM Headwater investment. Accounts Receivable, Net increased due to the employee retention credit granted as part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), of which \$171,000 is still outstanding.
- Compared to March 31, 2023, total liabilities have increased from \$988,827 to \$1,278,365, a change of \$289,538 or 29.3%. This increase is primarily due to an increase in Unearned Revenue of \$276,023 or 26.7%. Unearned Revenue includes annual meeting, membership dues, form subscriptions, educational seminar, and advertising revenue. Unearned Revenue related to educational seminars increased \$100,641 mainly due to changes in the Appalachian Land Institute and the Mining & Land Resources Institute dates. There is a timing difference since these institutes occurred in March 2023 last fiscal year and were moved to April 2024 this fiscal year. Annual meeting registrations increased \$77,430 from the previous fiscal year. Prepaid advertising for Landman magazine increased \$65,818 primarily due to the Alliance Program. Also, a Lease Liability line was added to the liability section in fiscal year '22-'23. This is a new accounting standard referred to as ASC 842 required by the Financial Accounting Standards Board (FASB). This lease standard does not materially affect the Statement of Activities.

Statement of Activities

- **Revenues** (exclusive of investment revenue) compared to March 31, 2023, have increased 48.1% from \$1,940,734 to \$2,874,841, a change of \$934,107.
 - o Notable items:
 - Education Income has increased \$52,955 year over year primarily due to increased Educational Sponsorships due to the Alliance Program and the astounding results from the Women in Energy Institute.
 - Membership Income increased \$277,948, or 24.4%, year over year due to an increase in membership dues.
 - Certification Income increased \$47,900, or 86.6%, year over year due to an increase in fees.
 - NAPE Income increased \$31,482 year over year primarily due to a final NAPE distribution after the fiscal year end of the previous year. A timing difference exists since the NAPE management fee of \$525,040 was recognized in March 2024 but not recognized until June in the last fiscal year. Additionally, the fee is also \$25k higher than last year.
- Expenses compared to March 31, 2023, have decreased 10.3% from \$4,575,920 to \$4,106,321, a reduction of \$469,599.

- Notable items:
 - Publications has decreased \$70,165 primarily due to a variance in the printing of the Directory. Publications printed fewer directories than last year.
 - Education expenses are down \$53,483 year over year. This is primarily due to printing costs being down \$43,714 compared to the previous year. 264 Oil & Gas Law books were printed last fiscal year.
 - General and Administrative expenses decreased year over year in the amount of \$254,954 primarily due to the reduction in staffing and elimination of profit sharing, resulting in a decrease of salaries and benefits of \$172,140 year over year. Other areas of savings have been in Advertising/Marketing. Advertising/Marketing was recorded in this area in the previous year, but has its own department in FY 23-24. This has resulted in a decrease in expenses of \$70,150 year over year. Travel expenses were also down \$12,728 year over year.
 - BoD Meeting expenses decreased year over year by \$59,430, this variance is spread amongst many line items, but primarily in a reduction in BoD Travel Reimbursement of \$42,838 which is mainly a result of the reduction of reimbursement rates.
 - Advocacy expense decreased year over year by \$100,726 and is due to the cancellation of the Hillco Partners contracted expense from the prior year.
 - Marketing expenses increased year over year by \$64,330 since this is a new department being budgeted for FY23-24 and has no previous year entries.

Supplementary Information

 Investments as of March 31, 2024, are \$35,603,830, an increase of \$4,274,245 or 13.6% as compared to the same period last year. The change resulted from unrealized gains/(losses) due to market activity in the AAPL investment account.

AAPL General Report:

AAPL Mission: Our mission is to promote the highest standards and ethics of performance for all land professionals and to encourage sound stewardship of all energy and mineral resources

AAPL Strategic Goals

- Goal #1: Excellence. Advance the culture and structure of AAPL to ensure excellence.
- Goal #2: Education. Position AAPL as the go-to resource for information, certification, and training.
- Goal #3: Value. Deliver and promote world-class member value to attract and retain membership.
- Goal #4: Diversity and Inclusion. Build and foster an inclusive and diverse organization that is representative of both cultural and professional diversity in membership and leadership.
- Goal #5: Advocacy. Promote the profession through elevating the voices of land professionals.
- Goal #6: Sustainability. Ensure the financial security and longevity of the association.

Annual Meeting

• In parallel to the Quarterly Board Meeting the Hilton Boston Park Plaza played host to 2024 Annual Meeting as well. Unmatched networking, education, and entertainment were had by all while in Boston. Next year's Annual Meeting will be held in Kansas City, Missouri, at the Loews Kansas City Hotel. Annual Meeting Committee will be working to finalize speakers and events throughout the rest of this year.

NAPE Summit

• The NAPE Summit will be held February 5-7, 2025, at the George R. Brown Convention Center in Houston, TX.

Upcoming AAPL Board Meetings

- September 27-29, 2024, | Grand Traverse Resort and Spa in Acme, Michigan
- December 6-8, 2024 | Rancho Bernardo Inn in San Diego, California
- March 14-16, 2025 | Newport Harbor Island Resort in Newport, Rhode Island

• June 17-18, 2025 | Loews Kansas City Hotel in Kansas City, MO 64108

Other Noteworthy News/Reports:

• Le'Ann Callahan was named Executive Vice President, removing the previously assigned "interim" designation. Congratulations Le'Ann!

If you are interested in serving on an AAPL or OCAPL committee or otherwise becoming more involved, please feel free to contact me. Additionally, if you have any questions, comments, concerns, or ideas regarding the AAPL and/or its services, please do not hesitate to reach out.

Respectfully submitted,

Matt Beavers
AAPL Director