

SURFACE USE: THE DOMINANT ESTATE, REASONABLE USE AND DUE REGARD

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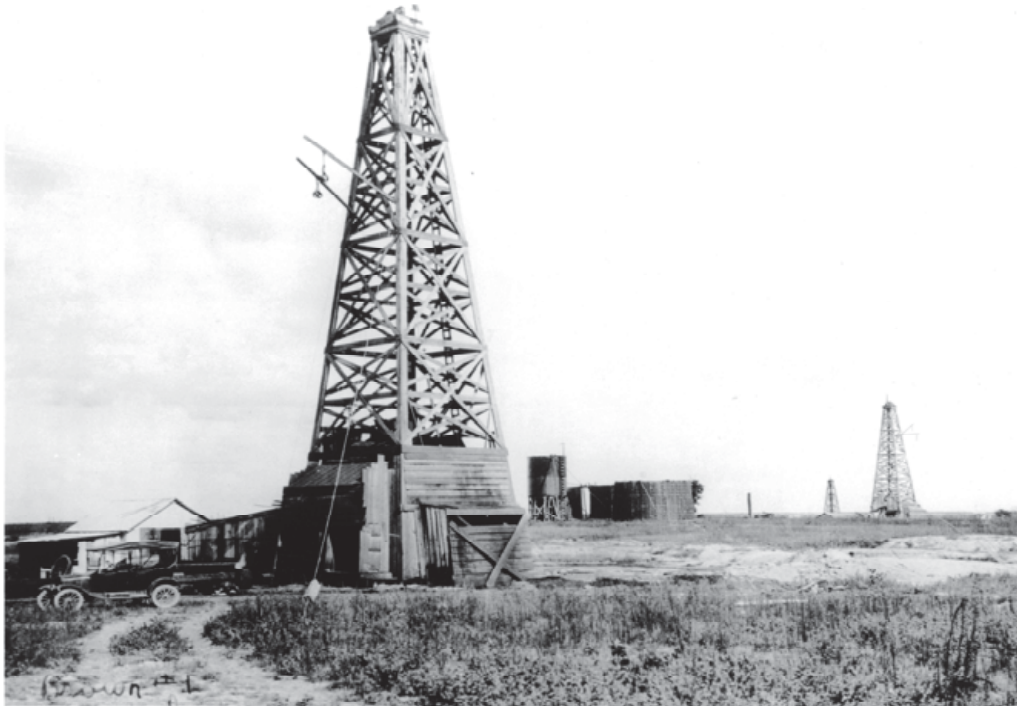
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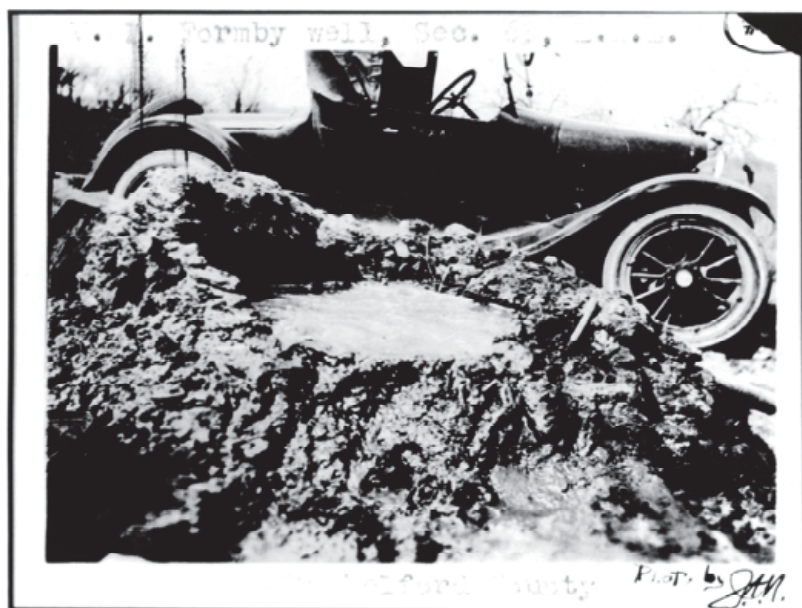
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Surface Use—An Industry Perspective

“Another issue that sometimes complicates the producer/royalty owner relationship is restrictions on surface usage and compensating surface owners. . . . The real threat is surface use restrictions. If you can’t access the land, nothing else matters. . . .”

“Royalty owners who have unified estates want to get their royalty checks and get paid for the surface use, too. It’s the free lunch theory. I can pay X for a lease, but if I have to compensate surface owners for the loss of land value, then I can’t pay X for the lease. When we bring up those issues, [royalty owners] shrug them off. I guess it is supposed to come out of producers hides.”

-Al Pickett, The American Oil & Gas Reporter

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One Landowner's Perspective:

IN REGARDS TO YOUR
LETTER I RECEIVED TODAY,
THE MINERAL RIGHTS I HAVE
WILL REMAIN MINE. I DON'T
CARE WHAT THE OIL AND
GAS COMMISSION SAYS.
YOU ARE NOT WELCOME
ON MY PROPERTY, AND I'M
TELLING YOU TO STAY OFF.
ANY OF YOUR EMPLOYEES,
CONTRACTORS, OR AGENTS,
WHO COME ONTO MY LAND
WILL BE TREATED AS
TRESPASSERS.
GET ALL YOUR YANKEE,
REPUBLICAN, CARPETBAGIN, HALIBURTON
~~AND~~ MUTHEZ ~~AND~~ AND
TAKE THEM ALL BACK TO TEXAS
SO WE CAN KEEP ALL THE
~~THE~~ IN ONE PLACE.
KISS MY ASS

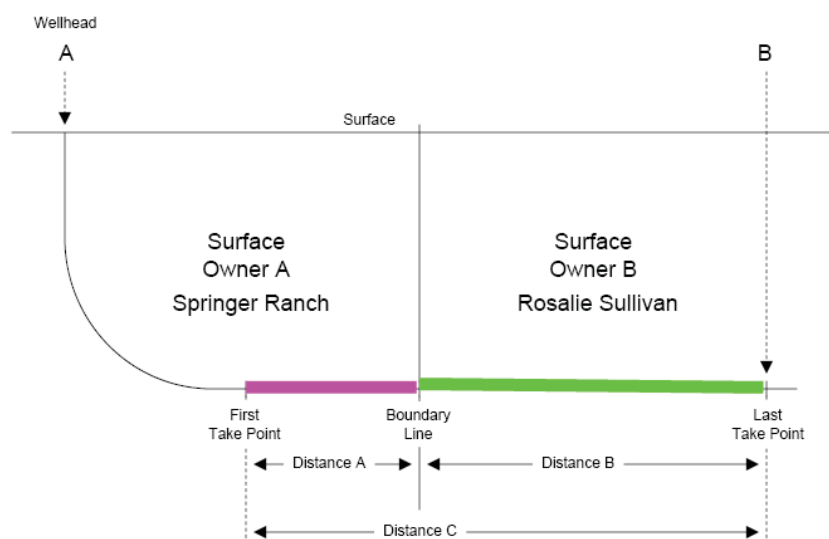
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Definition of Surface and Mineral Estate

- *Springer Ranch, Ltd. v. Jones*, 421 S.W.3d 273 (Tex. App.—San Antonio 2008, no pet.)
- *Lightning Oil Company v. Anadarko E & P Onshore, LLC*, 480 S.W.3d 628 (Tex. App.—San Antonio 2015), *aff'd*, 520 S.W.3d 39 (Tex. 2017)

Facts in *Springer Ranch*



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Title search: Surface Use: The Dominant Estate, Reasonable Use, and Due Regard

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