

36TH ANNUAL
ERNEST E. SMITH
OIL, GAS & MINERAL LAW



FUNDAMENTALS

Thursday, April 8, 2010

INSTITUTE

Friday, April 9, 2010

Hyatt Regency ▪ Houston, Texas

▶ Video Replay

May 19–20, 2010

Cityplace Conference Center ▪ Dallas, Texas

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2010 FUNDAMENTALS OF OIL, GAS & MINERAL LAW

April 8, 2010 ▪ Hyatt Regency ▪ Houston, Texas

▶ Video Replay May 19, 2010 ▪ Cityplace Conference Center ▪ Dallas, Texas

Earn up to 8.00 Hours of MCLE Credit

THURSDAY MORNING

Presiding Officer:

Frank N. Cusimano III,
Chevron North America Exploration
and Production Company, Houston, TX

7:30 a.m. Registration Opens

Includes continental breakfast.

8:20 a.m. Welcoming Remarks

8:30 a.m. 1.00 hr

The Top 10 Things Your Momma Never Told You about Oil and Gas Leases

Learn ten of the top current issues that lessors and lessees should consider when negotiating oil and gas leases.

M.C. Cottingham Miles, Martin & Drought, P.C.,
San Antonio, TX
Katrina B. Mohrer, Person, Whitworth, Borchers &
Morales, L.L.P., Laredo, TX

9:30 a.m. .75 hr

Surface Rights/Access v. Mineral Rights

Over the past 75 years, the relationship between a severed mineral owner and the surface owner has undergone substantial change. This presentation analyzes both the historical antecedents and the present jurisprudence regarding the implied easement of surface use.

Bruce M. Kramer, of Counsel, McGinnis, Lochridge &
Kilgore, L.L.P., Houston, TX

10:15 a.m. Break

10:30 a.m. .75 hr

Overview of Railroad Commission Regulations

A look at what the Railroad Commission does and does not do.

Brian R. Sullivan, McElroy, Sullivan & Miller, L.L.P.,
Austin, TX

11:15 a.m. .75 hr

The Farmout Agreement

A review of the basic elements of a Farmout Agreement and a discussion of the key issues that should be addressed in drafting and negotiating a Farmout Agreement.

Mark K. Boling, Southwestern Energy Company,
Houston, TX

THURSDAY AFTERNOON

Presiding Officer:

Frank N. Cusimano III,
Chevron North America Exploration
and Production Company, Houston, TX

LUNCHEON PRESENTATION

12:00 p.m. Pick up Box Lunch

Included in course registration.

12:30 p.m. .50 hr

Better, Faster, Cheaper? Today's Drilling Environment

This session covers the current drilling/operations environment as well as some of the new technologies that are driving today's oil and gas activities. Also covered, the impact of new drilling and completion technology on the U.S. gas supply.

Mark A. Houser, EnerVest, Ltd., Houston, TX

1:00 p.m. Break

1:15 p.m. .75 hr

Basic Oil and Gas Taxation

Federal income tax issues encountered in common oil and gas transactions.

R. Richard Coston, Fulbright & Jaworski L.L.P.,
Houston, TX

2:00 p.m. .75 hr

Drilling Contracts and Master Service Agreements

Risk allocation issues in drilling contracts and master service agreements are often the most difficult issues. This session provides a broad overview of the indemnity and insurance provisions and some of the important pitfalls.

William W. Pugh III, Liskow & Lewis, Houston, TX

2:45 p.m. .75 hr

Basic Environmental Law for Oil and Gas Lawyers

An overview of federal and state agency jurisdiction and the primary environmental law programs affecting oil field operations and cleanup in Texas, with drafting tips on how to avoid pitfalls when negotiating environmental provisions in contracts.

Susan G. Zachos, Law Offices of Susan G. Zachos,
Austin, TX

3:30 p.m. Break

3:45 p.m. .50 hr

Division Orders

The uses and abuses of the Division Order—neither a contract nor a conveyance, a shield but not a sword.

Michael D. Jones, Jones Gill LLP, Houston, TX

4:15 p.m. 1.00 hr

Issues in Marketing Production

An overview of natural gas and crude oil marketing issues, including drafting principles for crude oil sales contracts, natural gas sales contracts and gas gathering agreements, and issues related to laws and regulations applicable to oil and gas marketing.

Amy L. Hoff, Vinson & Elkins LLP, Houston, TX
Kathleen C. Lake, Vinson & Elkins LLP, Houston, TX

5:15 p.m. .50 hr

Operator Duties to Non-Operators

A review of the standard of conduct the operator owes non-operators, the relationship of the parties, and the effect of exculpatory language found in model forms.

John S. Lowe, Southern Methodist University,
Dedman School of Law, Dallas, TX

5:45 p.m. Adjourn Fundamentals

This is the first CLE I've been to where all the speakers were outstanding—knowledgeable, enthusiastic and interesting.

Topics were timely and all reflected the economic and political landscape.

This Institute is, as usual, one of the best and most informational seminars.

36TH ANNUAL ERNEST E. SMITH OIL, GAS & MINERAL LAW INSTITUTE

April 9, 2010 ▪ Hyatt Regency ▪ Houston, Texas

▶ Video Replay May 20, 2010 ▪ Cityplace Conference Center ▪ Dallas, Texas

Earn up to 7.25 Hours of MCLE Credit including 1.00 Hour of Ethics Credit

FRIDAY MORNING

Presiding Officer:

Ricardo E. Morales, Person, Whitworth,
Borchers & Morales, L.L.P., Laredo, TX

7:30 a.m. Registration Opens

Includes continental breakfast.

8:20 a.m. Welcoming Remarks

8:30 a.m. .50 hr

Preferential Purchase Rights: The Problem with Packages

An examination of the operation of preferential purchase right provisions as they relate to transactions involving properties in addition to the one burdened by the right. Includes some of the issues surrounding allocation of the total purchase price to fewer than all properties in the package.

Everard A. Marseglia Jr., Liskow & Lewis, Houston, TX

9:00 a.m. 1.25 hrs

Case Law Update

A review of recent decisions dealing with oil and gas leases, royalties, mineral conveyances, joint operating agreements, state regulation, and related topics.

Ernest E. Smith, The University of Texas School of Law, Austin, TX

10:15 a.m. Break

10:30 a.m. 1.50 hrs

Horizontal Drilling: Potential Problems and Practical Solutions

This session presents various horizontal drilling fact situations and suggests legal answers and practical solutions to the legal issues presented, such as implied covenants, rights of way, pooling, retained acreage, confusion of goods, royalties, and regulatory.

Joe W. Christina Jr., Porter, Rogers, Dahlman & Gordon, P.C., Corpus Christi, TX
Douglas Jackson Dashiell, Scott, Douglass & McConnico, L.L.P., Austin, TX
Charles W. Gordon IV, Porter, Rogers, Dahlman & Gordon, P.C., Corpus Christi, TX

FRIDAY AFTERNOON

Presiding Officer:

Ricardo E. Morales, Person, Whitworth,
Borchers & Morales, L.L.P., Laredo, TX

LUNCHEON PRESENTATION

12:00 p.m. Pick up Box Lunch

Included in course registration.

12:30 p.m. .50 hr

Geopolitics of Shale Plays

The emergence of shale gas has dramatically altered the natural gas landscape. Developments in the North American gas market have changed forward views regarding LNG markets and, in the U.S. specifically, altered the perceived role of gas in meeting both environmental and energy security objectives. The upstream lessons learned in North America are now matriculating into Europe and Asia, and shale's reach will likely extend well beyond our borders, affecting market developments, and hence the geopolitics of gas, for many years to come.

Kenneth B. Medlock III, Rice University,
James A. Baker III Institute for Public Policy,
Houston, TX

1:00 p.m. Break

1:15 p.m. 1.00 hr ethics

Legal Malpractice and Ethical Issues for the Oil and Gas Attorney

This presentation provides the anatomy of a legal malpractice case, including the statute of limitations, what claims can be asserted, and what relief can be sought. Ethical issues covered include conflicts of interest and the fiduciary duty owed by the lawyer to the client.

Robert L. Tobey, Johnston Tobey, P.C., Dallas, TX

2:15 p.m. .50 hr

Wagner & Brown v. Sheppard: Practical Considerations

The Texas Supreme Court's opinion in the case of *Wagner & Brown v. Sheppard* altered many practitioners' understanding of the impact of pooling in Texas. In the wake of *Sheppard*, a more complete understanding of the opinion and the concerns that it has raised is essential to dealing with issues related to pooling.

William K. Abney, Lynch, Chappell & Alsop PC,
Midland, TX

2:45 p.m. .50 hr

Cost Recovery after *Sheppard*—What's up with That?

An examination of the Supreme Court's cost analysis, and the effect on Texas law.

Elizabeth N. Miller, Scott, Douglass & McConnico, L.L.P., Austin, TX

3:15 p.m. Break

3:30 p.m. .50 hr

Your Bridge over Troubled Waters: Planning for and Surviving the Insolvent Operator

With so many operators on the cusp of insolvency, it is important for oil and gas attorneys to understand their clients' rights against operators that do not pay debts owed to their clients or that file for bankruptcy. This session provides an overview of the bankruptcy process, including a discussion of the differences between Chapter 7 and Chapter 11 bankruptcy cases and what happens after a bankruptcy filing, including the "automatic stay" of creditors' collection activities, the treatment of contracts with the debtor, secured and unsecured claims, the Chapter 11 plan process, and related issues. Also covered, the importance of obtaining lien rights against insolvent operators and the methods for obtaining them.

Jonathan S. Covin, Shore Freeman Mills PC,
Longview, TX
Gary C. Johnson, Shore Freeman Mills PC, Tyler, TX

4:00 p.m. .50 hr

Lease Maintenance Issues

The pitfalls of waiting until the last minute to keep your lease alive.

Ben Elmore, Perdue & Kidd, LLP, Houston, TX

4:30 p.m. .50 hr

Ten Pitfalls in Mineral and Royalty Conveyances

Traps for the unwary or unskilled attorney drafting deeds involving minerals or royalty in whole or in part: How to see them. How to avoid them.

Ronald D. Nickum, Attorney at Law, Amarillo, TX

5:00 p.m. Adjourn Institute

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Johnston Tobey, P.C.
Dallas, TX

SUSAN G. ZACHOS
Law Offices of Susan G. Zachos
Austin, TX

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Houston, TX

SPECIAL INVITATION

ANNUAL MEETING OF THE OIL, GAS AND ENERGY RESOURCES LAW SECTION OF THE STATE BAR OF TEXAS 5:15 P.M. FRIDAY, APRIL 9, 2010 HOUSTON

Immediately following the Institute in Houston only—all members of the Oil, Gas and Energy Resources Section of the State Bar are invited to join the Section's Council members for the 2010 Annual Meeting of the Section. Elections of Council officers and new Council members will be held, and there will be reports on the Section's activities over the past year.

The State Bar's oldest Section, the Oil, Gas and Energy Resources Law Section has more than 2,400 members. It sponsors two major institutes each year, in addition to the Ernest E. Smith Institute, and publishes a quarterly section report containing a variety of updates and articles on energy law topics. Associate memberships are available to non-lawyers and non-Texas lawyers.

Membership inquiries should be directed to Timothy Brown, Secretary and Membership Committee Chair, at 832-636-7560.

Norma Rosner Iacovo, Chair, Oil, Gas and Energy Resources Law Section

REGISTRATION FOR 2010 OIL, GAS & MINERAL LAW

Mail this registration form to:
The University of Texas School
of Law, Attn. CLE—OP10/OG10
P.O. Box 7759
Austin, TX 78713-7759

or fax a copy to:
(512) 475-6876

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Invoices, confirmations and receipts are emailed to these addresses.

REGISTRATION

FUNDAMENTALS

Includes Course Binder and Luncheon Presentation

Houston, April 8, 2010

- ☐ Early Registration due Monday, March 29, 2010 \$250
☐ Registration after Monday, March 29, 2010 \$300

Dallas – Video Replay, May 19, 2010

- ☐ Early Registration due Monday, May 10, 2010 \$200
☐ Registration after Monday, May 10, 2010 \$250

Fundamentals Registration Total \$ _____

INSTITUTE

Includes Course Binder and Luncheon Presentation

Houston, April 9, 2010

- ☐ Early Registration due Monday, March 29, 2010 \$275
☐ Registration after Monday, March 29, 2010 \$325

Dallas – Video Replay, May 20, 2010

- ☐ Early Registration due Monday, May 10, 2010 \$225
☐ Registration after Monday, May 10, 2010 \$275

Institute Registration Total \$ _____

REGISTRATION TOTAL \$ _____

CONFERENCE PUBLICATIONS AND MEDIA *Allow 3-5 weeks from the conference date for delivery*

FUNDAMENTALS

- ☐ Course Binder Without Conference Registration \$150
Note: Conference registration includes Course Binder
☐ Audio CD Set \$135
☐ Audio MP3 Speeches on CD \$90
☐ DVD Set \$200
☐ eBinder on CD (PDF format) \$150/\$50
(\$150 purchased alone, \$50 with Registration or purchase of Course Binder or DVD Set or Audio CD Set or Audio MP3 Speeches on CD)

Fundamentals Publications and Media Total \$ _____

INSTITUTE

- ☐ Course Binder Without Conference Registration \$150
Note: Conference registration includes Course Binder
☐ Audio CD Set \$135
☐ Audio MP3 Speeches on CD \$90
☐ DVD Set \$200
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(\$150 purchased alone, \$50 with Registration or purchase of Course Binder or DVD Set or Audio CD Set or Audio MP3 Speeches on CD)

Institute Publications and Media Total \$ _____

PUBLICATIONS AND MEDIA TOTAL \$ _____

IN-HOUSE CLE: Bring the conference in-house and learn at your convenience. *Allow 3-5 weeks from the conference date for delivery*

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- ☐ In-house CLE for 2 \$600
Includes DVD Set and Course Binder

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512-475-6700
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HOUSTON

April 8–9, 2010

CONFERENCE LOCATION



Hyatt Regency

1200 Louisiana Street
Houston, TX 77002
713-654-1234

Special Room Rate: \$199

good through March 9, 2010
(subject to availability)

Valet Parking:

\$12/day; \$25/overnight
(subject to change)

KEY DATES

March 29, 2010, 5 p.m.

last day for early registration

add \$50 for registrations received after this time

April 2, 2010, 5 p.m.

last day for full refund

April 5, 2010, 5 p.m.

last day for partial refunds

\$50 processing fee applied

April 8, 2010, 8:30 a.m.

Fundamentals begins

April 9, 2010, 8:30 a.m.

Institute begins

DALLAS

May 19–20, 2010

VIDEO REPLAY



Cityplace Conference Center

2711 North Haskell Avenue
Dallas, TX 75204
214-515-5100

Parking:

Complimentary self-parking
(subject to change)

KEY DATES

May 10, 2010, 5 p.m.

last day for early registration

add \$50 for registrations received after this time

May 12, 2010, 5 p.m.

last day for full refund

May 14, 2010, 5 p.m.

last day for partial refunds

\$50 processing fee applied

May 19, 2010, 8:30 a.m.

Fundamentals begins

May 20, 2010, 8:30 a.m.

Institute begins

M
C
L
E

This course has been approved for Minimum Continuing Legal Education credit by the State Bar of Texas Committee on MCLE in the amount of 15.25 hours, of which 1.00 credit hours will apply to legal ethics/professional responsibility credit. The University of Texas School of Law is a State Bar of California approved MCLE provider (#1944).