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THE OIL, GAS AND ENERGY RESOURCES LAW SECTION OF THE STATE BAR OF TEXAS



39TH ANNUAL ERNEST E. SMITH OIL, GAS AND MINERAL LAW



FUNDAMENTALS—March 21, 2013
INSTITUTE—March 22, 2013
Omni Houston Galleria • Houston, Texas

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FUNDAMENTALS OF OIL, GAS AND MINERAL LAW

March 21, 2013 • Omni Houston Galleria • Houston, Texas

Earn up to 8.00 Hours of MCLE Credit

THURSDAY MORNING

Presiding Officer: Michael D. Jones, Jones Gill LLP, Houston, TX

7:30 a.m. Registration Opens Includes continental breakfast.

8:15 a.m. Welcoming Remarks

8:30 a.m. .50 hr

So You Want to Drill Your Own Oil Well? An Oil and Gas Drilling Primer

An overview of the process of finding oil and gas and bringing it to the surface, as well as some of the needed agreements.

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

9:00 a.m. .75 hr

The Rule of Capture, Correlative Rights and Principles of Conservation

An examination of the effects of the Rule of Capture, as well as a discussion of well spacing, production limitations, pooling and unitization and related environmental regulation. Agency rules and regulations, rule-making and adjudication procedures are described, as well as judicial review of agency actions including the concepts of collateral attack, exhaustion of administrative remedies, primary jurisdiction and standards of deference.

Patrick H. Martin, Louisiana State University Paul M. Hebert Law Center, Baton Rouge, LA

9:45 a.m. Break

10:00 a.m. .75 hr

Interests in Oil and Gas

An overview of the general types, characteristics and classifications of oil and gas interests.

Laura H. Burney, St. Mary's University School of Law, San Antonio, TX 10:45 a.m. 1.00 hr

The Oil and Gas Lease, Part I: Classification, Scope of Grant and Duration

An in-depth focus on how an oil and gas lease is classified in law and on the key clauses of the lease.

Owen L. Anderson, The University of Oklahoma College of Law, Norman, OK

11:45 a.m. Pick Up Lunch Included in Fundamentals registration.

THURSDAY AFTERNOON

LUNCHEON PRESENTATION

12:15 p.m. .50 hr

Texas Title Examination Standards: Introduction and Practical Exercises

A look at the use of Title Examination Standards to address common defects, exceptions and errors found in the chain of title to land plus the language of the standards, times when they are applicable and the commentary of applicable law for each standard. Included are a few practical examination exercises using actual instruments pulled from public records.

Allen D. Cummings, Law Offices of Allen D. Cummings, San Antonio, TX

12:45 p.m. Break

1:00 p.m. .75 hr

The Oil and Gas Lease, Part II: The Royalty Clause in an Oil and Gas Lease

In Texas, the calculation of the royalty obligation created under an oil and gas lease is determined by looking at the specific language contained in the royalty clause. This session focuses on some of the principal phrases used to describe such obligations and how the Texas courts have interpreted them, and takes a look at how that same language has been interpreted differently in other jurisdictions. The impact of division and transfer orders are analyzed to determine how such instruments may affect the royalty obligations contained in the lease.

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

1:45 p.m.

.75 hr

The Oil and Gas Lease, Part III: Implied Covenants

An outline of the law of implied covenants, including duties imposed, standards applied and remedies available.

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

2:30 p.m.

.50 hr

The Oil and Gas Lease, Part IV: Other Clauses

A review of other clauses in an oil and gas lease, including surface use clauses and riders, retained acreage and proportionate reduction clauses and savings clauses such as continuous operations, dry hole, force majeure and shut-in gas royalty clauses.

Gina S. Warren, Texas Wesleyan School of Law, Fort Worth, TX

3:00 p.m. Break

3:15 p.m.

.75 hr

Voluntary Pooling and Unitization

Coverage of the typical pooling clause in an oil and gas lease which allows the lessee to combine acreage under one lease with acreage underlying adjacent tracts, as well as the voluntary unitization statute in Texas under which the Railroad Commission approves field-wide units which may combine acreage from hundreds of different tracts and landowners for the purpose of second recovery or repressuring.

Jacqueline L. Weaver, University of Houston Law Center, Houston, TX

4:00 p.m.

1.00 hr

Oil and Gas Conveyancing

Description of the terms used to convey mineral and royalty interests and the issues that arise in drafting and interpreting these conveyances.

Laura H. Burney, St. Mary's University School of Law, San Antonio, TX

5:00 p.m.

.75 hr

The Joint Operating Agreement (JOA)

An overview of the important components of a JOA, completion of and additions to the form JOA and issues that arise in the application of the JOA provisions to exploration and production activities.

John S. Lowe, SMU Dedman School of Law, Dallas, TX

5:45 p.m.

Adjourn Fundamentals

39TH ANNUAL ERNEST E. SMITH

OIL, GAS AND MINERAL LAW INSTITUTE

March 22, 2013 • Omni Houston Galleria • Houston, Texas

Earn up to 7.50 Hours of MCLE Credit Including 1.00 Hour Ethics Credit

FRIDAY MORNING

Presiding Officer:

Douglas J. Dashiell, Scott Douglass & McConnico, Austin, TX

7:30 a.m. Registration Opens Includes continental breakfast.

8:20 a.m. Welcoming Remarks

8:30 a.m. .50 hr

Current Surface Use Issues

Current surface use issues impacting operators including surface use agreements, water disposal issues, municipal regulation and damage claims.

Rick G. Strange, Cotton, Bledsoe, Tighe & Dawson, PC, Midland, TX

9:00 a.m. .50 hr

Developing Issues Related to Salt Water Disposal

A discussion of current legal and regulatory issues related to salt water disposal in Texas.

D. Davin McGinnis, Scott, Douglass & McConnico, L.L.P., Austin. TX

9:30 a.m. .75 hr

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. .50 hr

Case Law Update, continued

Ernest E. Smith, The University of Texas School of Law, Austin, TX 11:00 a.m.

.50 hr

Buyer Beware—Expanding Reach of Exculpatory Provisions and Releases in Asset Purchase and Joint Operating Agreements

What transactional and trial counsel need to know about recent developments in the law governing contractual limitations on liability.

Joseph G. Thompson III, Watt Beckworth Thompson Henneman & Sullivan LLP, Houston, TX

11:30 a.m.

.50 hr

Water Use for Fracking

A critical analysis of the rules and availability of water sources used in oil and gas development, including recycling and alternatives to fresh water.

Russell S. Johnson, McGinnis Lochridge & Kilgore, Austin, TX

12:00 p.m. Pick Up Lunch

Included in Institute registration.

FRIDAY AFTERNOON

LUNCH PRESENTATION

12:30 p.m.

.50 hr

Use of Natural Gas for Power Generation

Legal, environmental and practical issues arising from the use of natural gas to generate electricity and the effect on producers, pipelines and generators.

Kathleen E. Magruder, BP Energy Company, Houston, TX

1:00 p.m. Break

1:15 p.m.

.75 hr

Horizontal Wells and Commingling

A review of the law of commingling in Texas as it now or may apply to horizontal wells.

Terry E. Hogwood, Houston, TX

2:00 p.m.

1.00 hr ethics

What Lawyers Can Learn About Professionalism and Communication from the Career of Abraham Lincoln

Talmage Boston, Winstead PC, Dallas, TX

3:00 p.m. Break

3:15 p.m. .50 hr

Supreme Court Landowner Condemnation: Landowner Perspective

A review of Supreme Court landowner condemnation cases involving the value of the land and value of the taker, including the use of eminent domain in conjunction with the reach of the common carrier statute.

Luke J. Ellis, Johns Marrs Ellis & Hodge LLP, Austin, TX Justin A. Hodge, Johns Marrs Ellis & Hodge LLP, Houston, TX

3:45 p.m.

.50 hr

Supreme Court Landowner Condemnation: Industry Perspective

The impact of *Denbury* on the industry and eminent domain practice.

James A. Freeman, Zabel Freeman, Houston, TX

4:15 p.m.

.50 hr

Drafting Production Sharing Agreements

An overview of the history and purpose of Production Sharing Agreements and recommended provisions.

Robert D. Jowers, Shannon Gracey Ratliff & Miller, LLP, Houston, TX

Mickey R. Olmstead, McElroy Sullivan Miller Weber & Olmstead, LLP, Austin, TX

4:45 p.m. .50 hr

Negotiating and Drafting Joint Development and Exploration Agreements

A timely discussion of joint development agreements and exploration agreements, and the negotiation thereof, in confronting today's issues in the oil patch.

Jeffery A. McCarn, Brown & Fortunato, P.C., Amarillo, TX

5:15 p.m.

Adjourn

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March 21-22, 2013

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Complimentary daily self-parking in the Brown Lot (Riverway Garage), \$17 overnight. Valet \$16 per day, \$27 overnight

KEY DATES

March 13, 2013

last day for early registration add \$50 for registrations received after this time

March 15, 2013 last day for full refund

March 18, 2013

last day for partial refund \$50 processing fee applied

March 21, 2013, 8:15 a.m. Fundamentals begins

March 22, 2013, 8:20 a.m. *Institute begins*

DALLAS

May 16-17, 2013

VIDEO REPLAY



Cityplace Conference Center

2711 North Haskell Avenue Dallas, TX 75204 214.515.5100

Parking:

Complimentary self-parking

KEY DATES

May 8, 2013

last day for early registration add \$50 for registrations received after this time

May 10, 2013

last day for full refund

May 13, 2013

last day for partial refund \$50 processing fee applied

May 16, 2013, 8:15 a.m. Fundamentals begins

May 17, 2013, 8:20 a.m. *Institute begins*

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This course has been approved for Minimum Continuing Legal Education credit by the State Bar of Texas Committee on MCLE in the amount of 8.00 hours. The University of Texas School of Law is a State Bar of California approved MCLE provider (#1944), and an Oklahoma Bar Association MCLE presumptively-approved provider (#169).

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