41ST ANNUAL ERNEST E. SMITH
OIL, GAS AND MINERAL LAW

FUNDAMENTALS AND INSTITUTE

HOUSTON
March 26–27, 2015
Royal Sonesta Hotel ▪ Houston, Texas

LIVE WEBCAST
March 26–27, 2015

DALLAS—VIDEO REPLAY
April 23–24, 2015
Cityplace Conference Center ▪ Dallas, Texas

Sweet Oil II, 2 pieces, 39" x 39" x 3" each, is made of crude oil, ethanol and pigments over 3 layers of vinyl. Mery Godigna Collet, 2014. www.merygodignacollet.com
**THURSDAY MORNING**

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

8:20 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**  
Examine the effects of the Rule of Capture, and discuss well spacing, production limitations, pooling and unitization and related environmental regulations. 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, Professor Emeritus, 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.  
Christopher S. Kulander, South Texas College of Law, Houston, 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 registration.

**THURSDAY AFTERNOON**

12:05 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 situations encountered in title examination.  
Allen D. Cummings, Law Offices of Allen D. Cummings, San Antonio, TX

12:35 p.m.  Break

12:50 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. Focus on some of the principal phrases used to describe such obligations and how the Texas courts have interpreted them, and take a look at how that same language has been interpreted differently in other jurisdictions. Analyze the impact of division and transfer orders to determine how such instruments may affect the royalty obligations contained in the lease.  
Bruce M. Kramer, Of Counsel and Maddox Professor of Law Emeritus, McGinnis Lochridge and Texas Tech University, Houston and Lubbock, TX

1:35 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.  
Keith B. Hall, Louisiana State University Paul M. Hebert Law Center, Baton Rouge, LA

2:20 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.  
Thomas A. Daily, Daily & Woods, P.L.L.C. and University of Arkansas School of Law, Fort Smith and Fayetteville, AR

2:50 p.m.  Break

3:00 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.  
Carroll G. Martin, Scott, Douglass & McConnico, L.L.P., Austin, TX

3:45 p.m.  1.00 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, Southern Methodist University Dedman School of Law, Dallas, TX

5:30 p.m.  Adjourn Fundamentals
FRIDAY MORNING

Presiding Officer: Chris Aycock, Cotton Bledsoe Tighe & Dawson, PC, Midland, TX

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

8:20 a.m. Welcoming Remarks

8:30 a.m. .75 hr ethics

Facing a Lawsuit or Regulatory Challenge? How PR and Legal Can Work Together for Maximum Benefit

A collaborative approach between the general counsel's office, outside counsel and employed or retained communications/PR professionals is absolutely necessary to protect your legal record and also to not tank your business strategy through adverse publicity as a result of the legal proceedings. Learn how to avoid these common problems—lawyers dictating the PR strategy and missing the messages of public concern; marketing/PR promotions becoming adverse evidence; a lack of mutual understanding producing inferior results.

Chrysta Castañeda, The Castañeda Firm, Dallas, TX

9:15 a.m. 1.25 hrs

Case Law Update

Review 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

10:30 a.m. Break

10:45 a.m. .50 hr

Seismicity and the Shale Plays

Gain insight to waste water disposal, hydraulic fracturing, and earthquakes from an operator's perspective. Examine the link, if any, between completion operations, disposal, and earthquakes.

Monika Ehrman, The University of Oklahoma College of Law, Norman, OK

FRIDAY AFTERNOON

11:15 a.m. .75 hr
Assignments of Oil and Gas Leases
Creating an assignment of an oil and gas lease with a mind to legal descriptions, reservations, disclaimer, and new developments in the case law.
Ronald D. Nickum, Attorney at Law, Amarillo, TX

12:00 p.m. Pick Up Lunch
Included in registration.

12:20 p.m. .50 hr
The Outlook for Energy: A View to 2040
As the world's population approaches 9 billion in 2040, energy remains vital to better living standards. As the world's energy landscape continues to evolve, significant technology advances are expanding practical solutions to meet growing energy needs. ExxonMobil's Outlook for Energy: A View to 2040 provides an insightful look into our energy future.
Todd W. Onderdonk, ExxonMobil Corporation, Irving, TX

12:50 p.m. Break

1:05 p.m. .75 hr
Analysis of Royalty Clauses and Issues: Past, Present and Future
Analyze the evolution of royalty clauses—up to and including current issues—by reviewing recent decisions and pending cases, post-production costs, Heritage, the impact of implied covenant law on royalty obligations, royalties on gas plant products, definitions of marketing and gathering, and other topics pertinent to royalty payments today.
Dick Watt, Watt Beckworth Thompson & Henneman LLP, Houston, TX
Co-Author: Madeline Mathews, Watt Beckworth Thompson & Henneman LLP, Houston, TX

1:50 p.m. .50 hr
Constructive Notice
A seldom considered but important topic, as recently addressed by the Texas Title Standards Editorial Board.
George A. Snell III, Steptoe & Johnson PLLC, Amarillo, TX

2:20 p.m. .50 hr
Railroad Commission Update
Explore recent changes to the Railroad Commission rules, the Klotzman decision and the current status of Allocation Wells, the RRC v. Roland Oil case, and a review of rules you may have forgotten but need to remember.
Brian R. Sullivan, McElroy, Sullivan, Miller, Weber & Olmstead LLP, Austin, TX

2:50 p.m. Break

3:00 p.m. .50 hr
Hedging Oil and Gas Production
An introduction to managing risks associated with the sale of oil and gas production. Examine the benefits and mechanics of hedging, commonly used hedging contracts, and practical considerations impacting hedging transactions.
Jesse S. Lotay, Jackson Walker L.L.P., San Antonio, TX
Co-Authors: Daniel Nossa, Jackson Walker L.L.P., Houston, TX
Paul E. Vrana, Jackson Walker L.L.P., Houston, TX

3:30 p.m. .50 hr
What's In the Pipeline for Eminent Domain Law
A discussion of evolving trends in Eminent Domain Law in Texas to assist in effectively navigating the ever-changing eminent domain practice. Explore the practical implications of the Texas Rice Land Partners v. DenburyGreen decision, the Texas Railroad Commission’s proposed changes related to the T-4 permitting process, the leading issues related to common carrier status, and the need for comprehensive pipeline infrastructure.
Thomas J. Forestier, Winstead, PC, Houston, TX

4:00 p.m. .50 hr
The Guided Drillbit and (Semi-)Guided Frac Job: Downhole Legal Issues from Horizontal Drilling
Review the state of the law on downhole trespass from hydraulic fracturing, trespass by drilling horizontally through unleased acreage, and tort actions from alleged groundwater contamination.
W. Ray Whitman, Baker & Hostetler LLP, Houston, TX

5:00 p.m. Adjourn Institute
# FUNDAMENTALS FACULTY

<table>
<thead>
<tr>
<th>Name</th>
<th>Affiliation</th>
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<tr>
<td>Owen L. Anderson</td>
<td>The University of Oklahoma</td>
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<tr>
<td>LAURA H. BURNEY</td>
<td>St. Mary’s University School of Law</td>
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<td>M. C. Cottingham Miles</td>
<td>Martin &amp; Drought, P.C.</td>
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<td>Ricardo E. Morales</td>
<td>Person, Whitworth, Borchers &amp; Morales, L.L.P.</td>
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<td>Michael D. Jones</td>
<td>Jones Gill LLP</td>
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<td>Jeffery A. Mccarn</td>
<td>Brown &amp; Fortunato, P.C.</td>
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<td>George A. Snell III</td>
<td>Steptoe &amp; Johnson PLLC</td>
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# PLANNING COMMITTEE

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<td>Michael E. Mcelroy</td>
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<td>Chris Aycock</td>
<td>INSTITUTE DIRECTOR</td>
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<td>William B. Burford</td>
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<td>Cristy Castañeda</td>
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<tr>
<td>Todd W. Onderdonk</td>
<td>ExxonMobil Corporation</td>
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# ABOUT THE ARTIST

Mery Godigna Collet's approach to petroleum goes beyond explicit political references, with the result being her works are also surreal landscapes. The paintings from the Extra Virgin Petrus Oil series are characterized by movements of crude oil, ethanol and pigments over several transparent layers that erupt into fiery passages that convey a powerful sense of being present at the volcanic origins of the earth. Her work is unusual in that it successfully expresses relationships between the artistic work and the viewer, between the materials and the concept, between the evolving past and the developing present—in an original presentation that remains in a viewer's mind long after she has left the exhibit or museum. Mery Godigna Collet is a conceptual artist. She works around several concepts applying morphogenesis, in other words, allowing the materials to show their own characteristics in a way that the artist works in partnership with them instead of imposing over them. Her techniques are unique. In the case of Extra Virgin Petrus Oil, her technique is the result of 14 years of research. In her own words, "I paint the subject with the subject." About petroleum, she adds, “Petroleum is the legacy of our ancestors in earth and is fundamental origin and at the same time, a basic tenant in our subconscious understanding of energy and industrial development.”
REGISTRATION FORM

Online:
www.utcle.org/conferences/OP15
www.utcle.org/conferences/OG15

Mail:
The University of Texas School of Law
Attn: Registration
PO Box 7759
Austin, TX 78713-7759

Fax:
512.475.6876

Questions?
512.475.6700

Dietary requirements or Accessibility needs?
Call 512.475.6700 or email service@utcle.org

PLEASE PRINT CLEARLY

Bar Card# ________________________________  □ TX  □ Other State: ________  □ N/A

Name [ Mr. / Ms. ] ________________________________________________________________

Firm _________________________________________________________________

Address _______________________________________________________________________

City ____________________________________________ State ________ Zip __________

Telephone ______________________ Fax __________________________

Registrant’s Email (required) __________________________ Assistant’s Email (optional)

Invoices, confirmations and receipts are emailed to these addresses.

REGISTRATION

FUNDAMENTALS—OP15
Includes Course Materials and Thursday Luncheon Presentation

1. Select City and Registration Type
   HOUSTON: March 26, 2015
   □ Individual registration by March 18 __________________________ $325
   □ Individual registration after March 18 _______________________ $375
   ☑ DALLAS VIDEO REPLAY: April 23, 2015
   □ Individual registration by April 15 __________________________ $275
   □ Individual registration after April 15 _______________________ $325

2. Select Course Materials Format
   □ Electronic Course Binder on USB Key ONLY
   □ Printed Course Binder ONLY

Fundamentals Registration Total __________________________ $________

FYNDAMENTALS LIVE WEBCAST: March 26, 2015
Individual Registration: $275 (includes Electronic Course Materials)
Register at www.utcle.org/conferences/OP15 or call 512.475.6700

IN-HOUSE For Texas MCLE Credit

FUNDAMENTALS—OP15
   □ In-House CLE for 2 __________________________ $625
   □ Additional participant(s) for $175 each __________________________ $________

Fundamentals In-House Total __________________________ $________

INSTITUTE—OG15
Includes Course Materials and Friday Luncheon Presentation

1. Select City and Registration Type
   HOUSTON: March 27, 2015
   □ Individual registration by March 18 __________________________ $350
   □ Individual registration after March 18 _______________________ $400
   ☑ DALLAS VIDEO REPLAY: April 24, 2015
   □ Individual registration by April 15 __________________________ $300
   □ Individual registration after April 15 _______________________ $350

2. Select Course Materials Format
   □ Electronic Course Binder on USB Key ONLY
   □ Printed Course Binder ONLY

Institute Registration Total __________________________ $________

REGISTRATION SUBTOTAL __________________________ $________

INSTITUTE—OG15

DALLAS VIDEO REPLAY: March 27, 2015
Individual Registration: $300 (includes Electronic Course Materials)
Register at www.utcle.org/conferences/OG15 or call 512.475.6700

IN-HOUSE SUBTOTAL __________________________ $________

INSTITUTE—OG15
   □ In-House CLE for 2 __________________________ $625
   □ Additional participant(s) for $175 each __________________________ $________

Institute In-House Total __________________________ $________

FUNDAMENTALS—OP15
   □ eBinder Download (PDF) __________________________ $125
   □ Printed Binder __________________________ $175
   □ Audio Download (MP3) __________________________ $75
   □ Audio CD Set __________________________ $125

Primer ConferenceComplete Materials† Total __________________________ $________

†Texas customers add 8.25% sales tax, or include Exemption Certificate . . . $________
Sales tax will be invoiced separately on taxable materials orders for which payment does not include tax.

ORDER GRAND TOTAL __________________________ $________

METHOD OF PAYMENT
   □ VISA  □ MasterCard  □ American Express  □ P.O.  □ Check (make check payable to The University of Texas at Austin)
   Card/P.O. # _______________ Exp. Date (mm/yy) _______ / _______

Authorized Signature ____________________________

By signing above, you agree to all terms and conditions described in Registration Form.

INSTITUTE—OG15
   □ eBinder Download (PDF) __________________________ $125
   □ Printed Binder __________________________ $175
   □ Audio Download (MP3) __________________________ $75
   □ Audio CD Set __________________________ $125

Institute ConferenceComplete Materials† Total __________________________ $________

†Texas customers add 8.25% sales tax, or include Exemption Certificate . . . $________
Sales tax will be invoiced separately on taxable materials orders for which payment does not include tax.

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HOUSTON
March 26–27, 2015

CONFERENCE LOCATION
Royal Sonesta Hotel
2222 West Loop South
Houston, Texas
713.627.7600
Special Room Rate: $199
good through March 10
reference “UT Law Oil and Gas “
(subject to availability)
Parking:
Self-Parking $10 daily; $16 overnight
Valet $16 daily; $27 overnight
(subject to change)

KEY DATES
March 18, 2015
last day for early registration
add $50 for registrations after this date
March 20, 2015
last day for cancellation (full refund)
March 23, 2015
last day for cancellation (partial refund)
$50 processing fee applied

FUNDAMENTALS ACCREDITATION
This course has been approved for Minimum Continuing Legal Education credit by the State Bar of Texas Committee on MCLE in the amount of 7.50 hours, of which 0.75 credit hour 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), and a MCLE presumptively-approved provider by the Supreme Court of the State of Louisiana (#0553) and the Oklahoma Bar Association (#169).

TX Legal Specialization Credit Approved for Administrative Law, Oil, Gas and Mineral Law, and Real Estate Law
9.00 Hours of Texas CPE Credit for Accountants (Sponsor #250)

INSTITUTE ACCREDITATION
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 a MCLE presumptively-approved provider by the Supreme Court of the State of Louisiana (#0553) and the Oklahoma Bar Association (#169).

TX Legal Specialization Credit Approved for Administrative Law, Oil, Gas and Mineral Law, and Real Estate Law
8.00 Hours of AAPL Credit for Registered Professional Landman (RPL) and Certified Professional Landman (CPL)
9.50 Hours of Texas CPE Credit for Accountants (Sponsor #250)

DALLAS
April 23–24, 2015

VIDEO REPLAY LOCATION
Cityplace Conference Center
2711 North Haskell Avenue
Dallas, Texas
214.515.5100
Self-Parking:
Complimentary
(subject to change)

KEY DATES
April 15, 2015
last day for early registration
add $50 for registrations after this date
April 17, 2015
last day for cancellation (full refund)
April 20, 2015
last day for cancellation (partial refund)
$50 processing fee applied