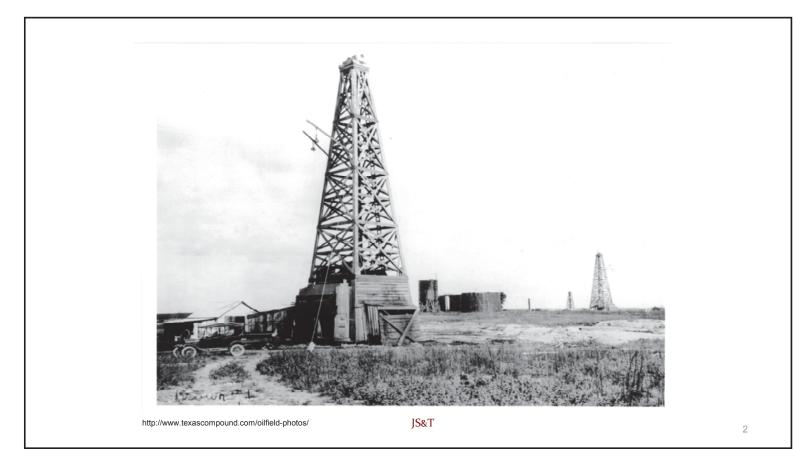
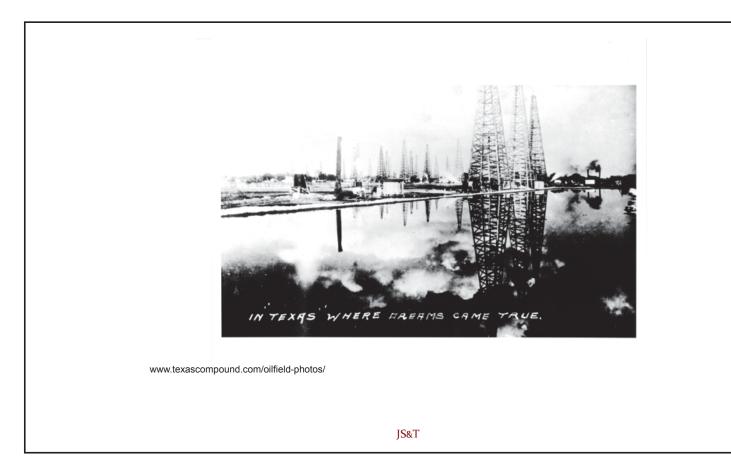
SURFACE USE: THE DOMINANT ESTATE, REASONABLE USE AND DUE REGARD

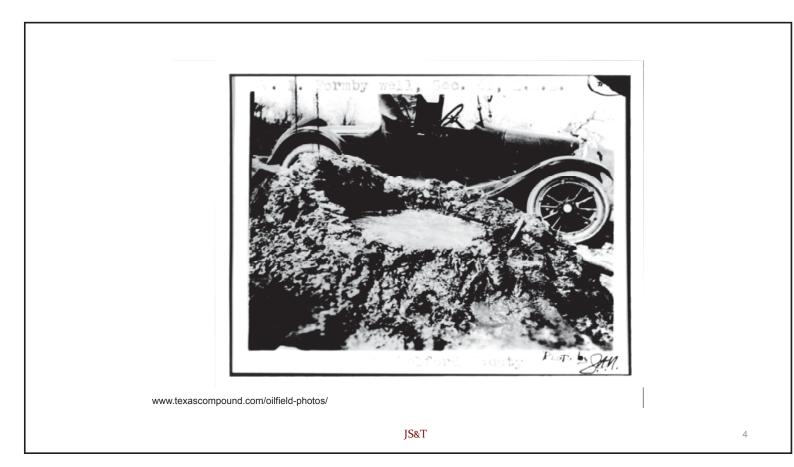
April 20, 2018

David E. Jackson Marc O. Knisely JACKSON SJOBERG & TOWNSEND LLP 711 West 7th Street Austin, Texas 78701

JS&T







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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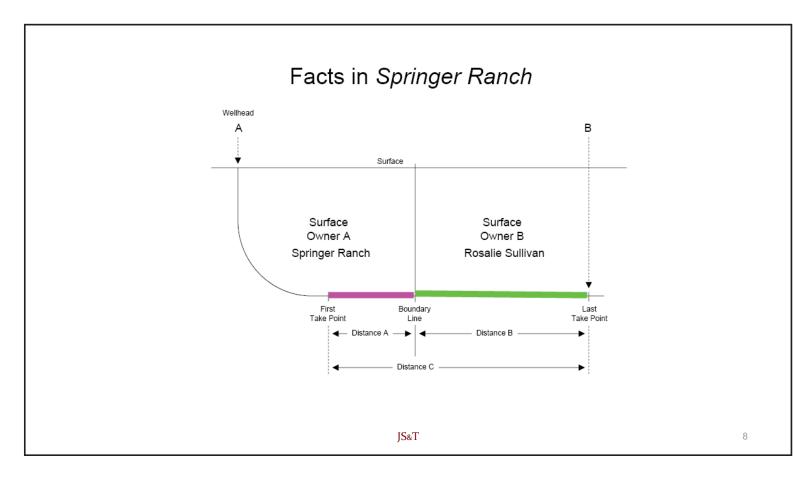
	IN REGARDS TO YOUR LETTER I RECEIVED TODAY THE MINERAL RIGHTS I HAVE WILL REMAIN MINE. I DON'T LARE WHAT THE OIL AND BAS COMMISSION SAYS. YOU ARE NOT WELCOME ON MY PROPERTY, AND I'M TELLING YOU TO STAY OFF. ANY OF YOU'R EMPLOYEES, UNTRACTORS, OR AGENTS, UN OF YOU'R EMPLOYEES, UNTRACTORS, OR AGENTS, UN ONE MY LAND DILL DE TREATED AS RESPASSERS. GET ALL YOR YANKEE, DEPUBLICAN, CARRETBACIN, HALIBURGH AKE THEM ALL BACK TO TEXAS ON WE CAN KEEP ALL THE IN ONE PLACE.	
	IS&T	6

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)



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

Also available as part of the eCourse 2018 Ernest E. Smith Oil, Gas, and Mineral Law eConference

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