NEGOTIATING OIL & GAS LEASES FOR HORIZONTAL DRILLING IN A VERTICAL WELL PARADIGM



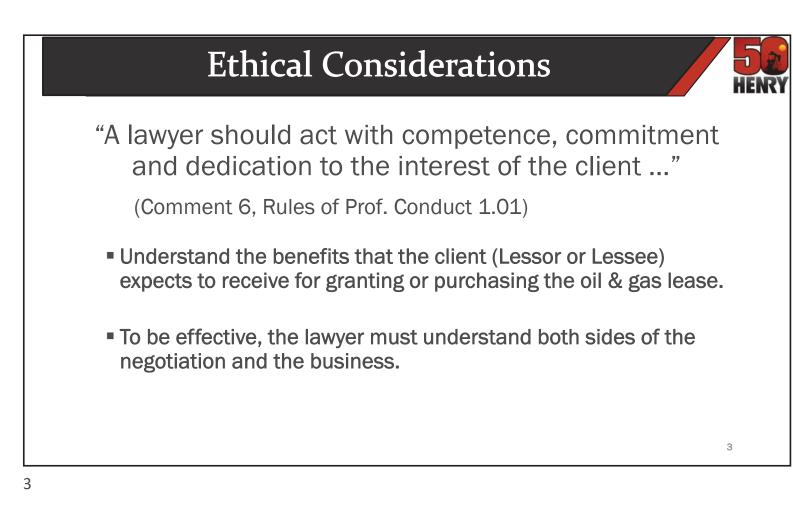
Michel E. Curry VP Land/Sr. Counsel Henry Resources LLC Midland, Texas

OVERVIEW – The New Oil Business



2

Changes in the Oil Business have been dramatic over the past two decades, yet we continue to negotiate oil and gas leases based in large part upon traditional, historical concepts.





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5

A FEW FACTS & FIGURES

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- **1990**
 - 300 Horizontal wells drilled worldwide
- 2008
 - Horizontal drilling in Barnett Shale, Haynesville, Utica and Marcellus
 - Horizontal drilling in the Permian was limited
 - Henry Resources ~ 10 vertical drilling rigs, 200 "Wolfberry" wells/yr.

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Title search: Negotiating Oil & Gas Leases For Horizontal Drilling In A Vertical Well Paradigm

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45th Annual Ernest E. Smith Oil, Gas and Mineral Law Institute session "Negotiating Oil & Gas Leases for Horizontal Drilling Projects in a Post-Vertical Well Paradigm - A Look At the Application of Selected Common Lease Provisions to Horizontal Well Operations"