# The OPERATING AGREEMENT Subsequent Operations

Michel E. Curry Henry Resources LLC Midland, Texas

# Introduction – Article VI

Focus on the AAPL 1989 Horzontal & New 2015 Model Forms

Provisions relating to Subsequent Operations are contained primarily in Article VI.

# Introduction – Article VI

Focus on the AAPL 1989 Horzontal & New 2015 Model Forms

What operations are covered How the provisions are implemented What some of the consequences are

## Article VI.A – The Initial Well

This is the project that brought the parties together.

Most of the details were negotiated before the JOA was signed

## Article VI.A – The Initial Well

The Initial Well is Obligatory

The only details in the agreement are:

The location

The objective depth or formation

The date by which drilling will begin

#### Article VI.A – The Initial Well

After the Initial Well begins drilling, everything else is either:

a subsequent operation, or is excluded from the agreement.





Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the <u>UT Law CLE eLibrary (utcle.org/elibrary)</u>

#### Title search: The Operating Agreement Subsequent Operations

Also available as part of the eCourse 2016 Fundamentals of Oil, Gas and Mineral Law eConference

First appeared as part of the conference materials for the 2016 Fundamentals of Oil, Gas and Mineral Law session "Joint Operating Agreement Subsequent Operations"