

INTRODUCTION TO PETROLEUM LAND MANAGEMENT

INSTRUCTOR: Seth Williams

Instructor's email: Seth@petroleumeducation.com

COURSE QUESTIONS: If a student has specific course questions they can contact Seth Williams via email.

TECHNICAL QUESTIONS: For technical support, students will contact Pam Melton email: pmelton@okcu.edu

COURSE DESCRIPTION

This introductory class to petroleum land management takes a methodical approach in laying the foundational principles for oil and gas land management. Topics include: a general introduction to the oil and gas lease, oil and gas law, mineral, surface and royalty rights, calculating net mineral interests; gross working interests, net revenue interest, royalty interests, overriding royalty interests, unit calculations; rules for transferring title; legal descriptions; and much more.

COURSE MATERIALS

A curriculum book provided by Petroleum Education Workshops is entitled *Introduction to Petroleum Land Management*.

EVALUATION AND CLASS PARTICIPATION

Each student will have the opportunity to acquire land in Alpha Gulch. The students will practice describing their land, transferring interests and calculating interests in land. Students will develop an understanding of the various clauses in the standard oil and gas lease using exercises such as the Tucker Gap Prospect. Through interactive exercises students will learn the basic tools used to share the risks and the rewards in the industry by learning about areas of mutual interest, farmouts and top leasing. In addition, students will learn about pooling and spacing requirements and how these tools of conservation were developed.

COURSE ASSIGNMENTS, DISCUSSIONS AND QUIZZES

During the course, each student will be expected to complete weekly assignments. **These assignments must be completed and be submitted via dropbox with the deadline.** These assignments are located on the Desire2Learn website within each week's content. Also, discussion questions will be presented throughout the course. Each participant must enter the online discussion room in order to weigh in on the topic being discussed. Additionally, within each chapters of the course are

Short quizzes. These quizzes must be completed within the deadline on the Desires2Learn website.

GRADING

This is a Pass/Fail course. Thus, in order to achieve a passing grade the student must complete each assignment with at least a proficient mark. They will also need to earn at least a 70% score on all quizzes and the final exam.

SPECIFIC TOPICS WILL INCLUDE

Introduction

- The Landman
- The Field Land Broker
- The Lease Administrator
- The Division Order Analyst
- The Land Technician Professional

Chapter One - The Land

- Legal definition of interests in land - the whole bundle of sticks
- Land ownership history in the United States
 - Land acquisition
 - Land granting
 - Checkerboarding of the western United States
 - Native American lands

Chapter Two - Describing the Land

- Survey Methods Used
 - Colonial Survey System - Metes and Bounds
 - Survey lines
 - Compass degree headings
 - Meanders
 - Foreign Grants and Surveys
 - Texas land grants
 - Block name or number
 - Abstract number
 - Rectangular Survey System
 - Township and Range
 - Quarter sections
 - Outer Continental Shelf

Chapter Three - Mineral Ownership

- Fee Simple Absolute

- State Owned Minerals
- Non-Navigable Streams
- Railroad Owned Minerals
- Federal Owned Minerals
 - Impact of mineral reservation
 - Split estates in lands
- Severing of Minerals in the United States
- Fractionalizing Minerals
- Dormant Minerals
- Undivided Mineral Interests
- Reserving Minerals
 - Duhig Rule
 - Interest Conveyed vs. Land Described
- Mineral Estate as Dominant

Chapter Four - Calculating Net Mineral Ownership

Chapter Five - Searching for Oil and Gas

- Origin of Oil and Gas
 - Migration, Reservoirs and Traps
- Locating Oil and gas Reservoirs
 - Gravity process
 - Magnetic process
 - Seismic process
 - 2-D vs. 3-d seismic imaging
- Tucker Gap Prospect
 - Top leasing
 - Area of Mutual Interest Agreements
 - Joint Venture Agreement
 - Farmout Agreement

Chapter Six - Leasing the Available Land

- Understanding the Lease
 - The signing bonus
 - The Royalty clause
 - The Term clause
- Types of Leases
- Defining Operations
- The Pugh clause
- Leasing Federal Lands
- Leasing State Lands

Chapter Seven - Pooling and Unitization

- Pooling

Spacing and Units
Pooling vs. Unitization
Rule of Capture
The Pooling Clause
Correlative Rights Doctrine
Proportionate Reduction Clause
Paying Royalty Owners out of production

Chapter Eight - Drilling for Oil and Gas
Just the basics.