Michael Late Benedum Chapter

American Association of Professional Landmen

August 2015

PRESIDENTIAL ADDRESS

The Take-

ack in 2001 I was working the Finger Lakes region of upstate New York and drove down to Oglebay Resort to attend my first MLBC event, the spring golf tournament. It wasn't until about 2006, though, that I actually started attending meetings regularly and since then, I've been very fortunate to meet, get to know and make friends with many fellow landmen working here in the A-Basin. I've also had the great opportunity to work closely with every MLBC President and Executive Committee since 2008 and have witnessed their passion and determination to constantly improve the association and what it has to offer. This year will be no different. I'm certain your Executive Committee will follow in their footsteps and continue to build on the successes the association has experienced the past few years.

So, what are these "successes" I'm referring to? Here are just a few:

- In 2010 we had around 900 members. We're currently at 1,500.
- In 2010 we had about \$23,000 in the bank. We currently have over \$200,000.
- In 2009 we struggled to get 100 golfers registered for the spring charity event. Now we have two charity events and both attract over 200 golfers at each.
- We recently developed and implemented a scholarship program for West Virginia University and Penn State University students enrolled in the AAPL -accredited Energy and Land Management Programs.
- We hired an Executive Assistant to handle many of the association affairs.
- We currently have 17 committees and over 40 volunteers that help keep the association moving forward.
- We started holding summer social events for more networking opportunities.
- Our Education Committee has provided us with excellent speakers who deliver on a wide range of topics.
- Our website is really good.

MLBC P.O. Box 955 Bridgeport, WV 26330

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Upcoming events

<u>Click Here to Register</u>

Fall Charity Golf Outing August 10, 2015 Valley Brook Country Club McMurray, PA

<u>Click Here to Register</u>

Clay Shoot August 10, 2015 Hunting Hills Country Club Greensboro, PA

<u>Click Here to Register</u>

September Dinner Meeting September 10, 2015 Bridgeport Conference Center Bridgeport, WV

PRESIDENTIAL ADDRESS CONTINUED

Now, I understand the driver behind the MLBC's growth has been the significant amount of land work necessary to develop the Marcellus and Utica, but without the hard work of the many land professionals that have volunteered and continue to volunteer their time, our association wouldn't be as strong as it is today. Those who volunteer understand there will be work to do, sometimes significant, but they realize the benefits of establishing relationships and promoting our industry far outweigh the extra hours.

The MLBC serves a large geographic territory and we've done a good job this year of filling our committees with a fair balance of in-house landmen, independent landmen and attorneys representing Ohio, Pennsylvania and West Virginia. Although our membership numbers reflect West Virginia having 720 members, Pennsylvania with 480 and Ohio with 150, we must remember to always have a diverse group of committee members to remain relevant and bring new ideas to the table. The MLBC is an excellent professional organization. If you know landmen who aren't members, encourage them to join and get involved.

On behalf of this years' Executive Committee, thank you for trusting us to continue providing you, the members, with quality educational events, networking opportunities and fellowship.

Aaron R. Yost, CPL President 2015-2016



AAPL's 2015 membership renewal period has been extended through September 18, 2015. If your membership is not yet renewed, please do so. If not renewed, your benefits — which include the Landman and Landman2 magazines — will be suspended until annual dues are paid. Please take a moment to renew your membership in one of the following ways:

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AAPL Membership

PO Box 225395

Dallas, TX 75222

Questions? Please e-mail Jana Jacobs at jjacobs@landman.org

MLBC Directors Report - June 2015

n June 17-20, 2015, on behalf of the MLBC, I attended the AAPL quarterly Board of Directors and Annual meeting at the Gaylord Opryland Resort and Convention Center in Nashville TN. This was my last AAPL board meeting as the MLBC's Regional Director. I have enjoyed serving the local association for the past 2 years as its representative and hope my insight and communications have

been informative. It's a great honor to represent the MLBC and I know Bruce Turner will do a wonderful job as the new MLBC Regional Director. Please give Bruce your support as he works for the MLBC among the other 42 locals.

During the June board meeting, a number of topics were introduced that would be of interest to our local association members:

- The AAPL 2015 annual meeting followed the Board of Directors meeting on June 18-20 at the Gaylord Opryland Resort in Nashville, TN. MLBC member Arnie Schulberg was the Chairman of the Annual Meeting Committee and did an excellent job. Besides the excellent educational and networking opportunities, other impactful events at the annual meeting included the AAPL Landman Reception, Landman Bash at the Wild Horse Saloon and the President's Ball. Many MLBC members were present in Nashville and our local association certainly represented the Appalachian region.
- As of the June board meeting, the membership total for AAPL is 20,058. This number is up from 19,674 as of the March board meeting. AAPL continues to reach out to the inactive members that did not renew. Membership will continue to grow with the association's emphasis on Ethics and Standards of Practice, plus support from our member companies.
- Summer NAPE will be held August 19-20, 2015 in Houston at the George R Brown Convention Center. The period for early bird registration has expired, but registration is still open and walk ups are accepted. The event is expected to be well attended.
- AAPL Certification Committee continues its busy agenda. AAPL's tracking indicates 26.5% of the membership are certified as RL, RPL or CPL, and the numbers continue to increase. The committee is reviewing numerous issues involving applications by "surface landmen" that feel they should be granted certification, although the technical qualifications may not include them. This subject, as well as "retired" status for Landman after they finalize their career, is being debated.
- Education Committee continues to provide excellent educational opportunities nationwide. March 2015 initiated the first SPE joint seminar and AAPL hopes to gain support from the AAPG and IRWA for similar seminar offerings. Regionally, AAPL has been able to provide numerous seminars within the cities served by the MLBC, and will continue to do so into the next term. The Tuition reduction Program implemented by the board for calendar 2015 is very successful. AAPL members receive a 50% discount on certain seminar and 25% discount on online materials and books. This runs through December 31, 2015. Please take advantage of this AAPL member benefit.
- A couple of recent AAPL member surveys have been issued that all should participate in. These surveys assist the AAPL staff and the board with statistics and qualitative information that will provide guidance to AAPL for its continued growth and excellence in program development. Please participate in these surveys so AAPL can receive a full representation of the membership's opinions on necessary subjects.



MLBC Directors Report Continued - June 2015

- The newly created Accreditation Committee has 8 collegiate Land programs to review. This includes three developing Land Management programs in the Appalachian region. California University of Pennsylvania (CALU), Marietta University and Marshall University. I believe our local association was aware of the Marietta and CALU programs, but not Marshall's.
- The AAPL Field Landman Committee had a successful year. During the 2015 term, the committee had 20 events across the US, registering over 1,300 attendees and picking up an additional 205 new members. Four FL events were held in our region. Watch the Landline and Educational Events broadcast for upcoming FL events in the region for the next fiscal year.
- AAPL budget for 2015-2016 was established at the recent board meeting. While the overall budget exceeds \$8 million, the amount was reduced from nearly \$11 million by the board as our industry weathers the decline in the energy sector. AAPL President Marc Strahn felt operations in the next term should be minimalized in light of the struggles our member companies are experiencing. Adjustments will be made as necessary to keep up with the industry. Also, the board approved a recommendation to pay \$1 million down on the debt incurred for the new AAPL office. This will leave a balance of approximately \$1.3 million to be paid next year.
- AAPL reports a strong balance sheet with March 31, 2015 assets of \$33,307,834, a decrease of 9.84% over the same period in 2014. At March 31, 2015, revenues decreased 7.8% from \$4,291,184 million to \$3,958,661 million, and expenses increased 3.8% from \$5,386,590 million to \$5,593,571 million over the same period in 2014. In addition, investments from the Martin Luther accounts, currently \$26.4 million, reflect a decrease of 16.8%, which is primarily due to realized and unrealized gains, the transfer of funds from AAPL to the LST account, and taxes issues from unrealized gains.

The MLBC and our region is well represented on the AAPL board and committees by local members. The interests and needs of our Appalachian Landmen are being addressed along with the rest of the country.

The next meeting of the AAPL board is scheduled for September 11-13, 2015 in Park City Utah. Should you have any concerns or questions to bring to the AAPL Executive Committee or Board of Directors, or bring to the attention of the MLBC Executive Committee, please feel free to contact Bruce at Bruce.Turner@Steptoe-Johnson.com.

As said before, thanks for your support and I look forward to hearing good things from Bruce as he represents the MLBC at the AAPL board meetings.

Mark Acree

MLBC Presents Awards & Welcomes New Officers

he Michael Late Benedum Chapter (MLBC) hosted its monthly dinner meeting and inaugural awards ceremony at West Virginia University's Erickson Alumni Center in Morgantown, West Virginia on June 11, 2015. Over 130 MLBC members and guests enjoyed a social hour, dinner and a full slate of events throughout the evening.

MLBC President, Anthony Farr (Tioga Resources), opened the meeting and welcomed speakers from the two AAPL accredited Energy Land Management programs in the Appalachian Basin: Professor Andrew Kleit, Penn-sylvania State University and Professor Shawn Grushecky, West Virginia University. Both outlined the general course of study and introduced students from their respective programs.

MLBC Scholarship Committee Chair, Justin Nixon (EQT Production Company), presented a \$ 5,000 scholarship on behalf of the MLBC to Tyler Murray. Tyler is an outstanding student in the Energy Land Management program at West Virginia University and serves as Vice President of the student association.

The highlight of the evening was the MLBC's first ever presentation of awards to recognize those members and friends who stand out among our membership. MLBC Past President and current Awards Chair, Bruce Turner (Steptoe & Johnson) along with the Executive Committee, established three separate awards for this year. Awards were given for Best Member Communication, Friend of MLBC and J.W. Findley Lifetime Achievement.

The award for **Best Member Communication** was established to recognize the best single communication by a member during the year. This award was presented to **Douglas Richards**, **CPL** (Honor Resources) for his article "*Ethics-The Cornerstone of Professionalism*" which appeared in the April 2014 Edition of the MLBC news-letter, *The Takeoff*.

The **Friend of MLBC Award** was established to recognize a company or individual that has made significant contributions to the MLBC. The award was presented to **Steptoe & Johnson**, **PLLC**, in recognition of the longstanding assistance in providing exceptional speakers, industry education and sponsorship of the association. It is of note that Awards Chair, Bruce Turner, who is also a Steptoe & Johnson employee, recused himself from consideration of this award determination.

The J. W. Findley Lifetime Achievement Award was presented to Arnold (Arnie) Schulberg, Esq., CPL. The J.W. Findley Award was named after the organizer of the inaugural MLBC meeting held on July 17, 1959, and the organization's first President. The award is the highest and most distinguished honor of our association. The award was established to recognize an MLBC member who has demonstrated excellence and integrity in contributing to our association and our profession.

Arnie's contributions to the land profession throughout his 37 years in the business cannot be overstated. He is an attorney, CPL and Past President of the MLBC. He is active on both the national and local scene having served on the Executive Committees of both the AAPL and the MLBC. Arnie's wife, Kathy, family and friends were in attendance for the presentation of this honor.

The meeting concluded with a closing by outgoing MLBC President, Anthony Farr, and the installation of new officers for 2015-2016. Incoming officers are President, Aaron Yost (Percheron Energy); Vice President, John Kimbleton (Dominion); Secretary, Jeremy Preston (EQT Production Company); Treasurer, Britney Crookshanks (Northeast Natural Energy); Sergeant at Arms, Christa Dotson (EQT Production Company). Directors are Lori Naser (Oil & Gas Title Abstracting) and Rex Cecil Ray and Jeremy White (both of EQT Production Company). Regional Director to AAPL is Bruce Turner (Steptoe & Johnson). Aaron Yost concluded the meeting by recapping a few highlights from the past year and touching on plans for his upcoming term.



















2nd Annual David Vassar Memorial Golf Tournament,

Hosted by YPE Canton

Friday October 2nd, 2015 The Quarry, Canton, Ohio

A fter a very successful inaugural tournament in 2014, the Canton Chapter of Young Professionals in Energy is proud announce the second annual David Vassar Memorial Golf Tournament on October 2nd at The Quarry Golf Club in Canton, Ohio.

Registration will begin at 11:30 with a 1:00 shotgun start. Participation is \$150 per golfer and includes green fees, golf cart, range balls, dinner, and drinks. You can also purchase mulligans that translate to raffle tickets as an addition to your registration fee. These raffle tickets will provide you the opportunity to win great prizes. In addition, you will also have the opportunity to purchase tickets for a 50/50 raffle.

The tournament will proudly benefit the Sammy and Aubree Vassar Foundation, supporting Dave's children Sam and Aubree. In addition, a portion of the proceeds will also go towards the American Cancer Society in honor of Dave's memory.

Additional details including registration and sponsorship opportunities can obtained by clicking below.

Please consider joining us to remember our friend Dave, and help support his family and the American Cancer Society.

We look forward to seeing everyone in October!!

"There are some people in life that make you laugh a little louder, smile a little bigger, and live just a little bit better."

It has been just over one year since our good friend Dave Vassar passed away. Dave continues to live on strongly in our memories every single day. Everyone who was fortunate enough to know Dave knew him as a dedicated father, husband, co-worker, mentor, and friend.

Besides working as a Landman, Dave was actively involved as a member of the NRA and the Police Rod and Gun Club of New Alexandria. He was an avid hunter, and loved to fish as well. Often times you could engage him in a good conversation or debate about all Pittsburgh sports, including his beloved Pirates, Penguins, and Steelers.

We hope that you will join us this year as we gather for some good food, friends, and fun to honor and remember our friend Dave, and help support his family as they move forward.



Annie Get Your Gun!

In the past, the MLBC hosted sporting clay outings in conjunction with golf outings. Past President, Rich Robb suggested that we offer some stand-alone events, just for the social aspect of it. Thus far, we have offered two opportunities to enjoy this sport and they were outstanding. The first of the two was held on March 11, 2015 at Hunting Hills Shooting Preserve in Greene County, Pennsylvania. The owners and all of the staff were exceptional hosts and the day could not have been more beautiful. The turnout was impressive, boasting of 14 teams. At the end of the day, shooters enjoyed a delicious dinner. After dinner, the highest scorers of the day were announced and presented with gift cards. Ladies highest score was Anna Campbell. The "top gun" of the day, Steve Kennedy, was also honored to be the first to take home the traveling trophy.

The second event was on May 27, 2015 at Nemacolin Shooting Academy in Farmington, Pennsylvania. Another gorgeous day outside for this friendly competition! The stations were equipped with friendly and personable staff. Again the teams were rewarded after a hard day's work with a wonderful meal. Our top scoring lady that afternoon was Sarah Brown and our defending champ, Steve Kennedy was once again, the highest scoring gentleman.

These events are a fantastic way to come together for some camaraderie. Whether you are an expert or a novice, male or female, the atmosphere is welcoming. Be on the lookout for our next adventure.

Lori Naser, Director & Membership Chair



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Gov. Tomblin makes appointments to West Virginia Commission on Oil and Natural Gas Industry Safety

Gov. Earl Ray Tomblin announced July 9 the formation of the West Virginia Commission on Oil and Natural Gas Industry Safety. The Commission was formed through Executive Order No. 7-15 and was announced during Tomblin's 2015 State of the State address.

Tomblin or his designee will serve as chairman of the committee, which also includes the secretaries of the Department of Environmental Protection, Commerce, Transportation and Military Affairs and Public Safety, industry and labor representatives and four legislators.

The appointees include:

- Mary S. Friend, representative of the Public Service Commission;
- Thomas Raught, representative with experience in federal occupational safety & health administration regulations;
- Chris Flanagan, representative with experience in oil and natural gas drilling and production;
- Benjamin A. Hardesty, representative with experience in oil and natural gas drilling and production;
- Bob Orndorff, representative with experience in oil or natural gas pipelines;
- Shawn Patterson, representative with experience in oil or natural gas pipelines;
- Mike McCown, representative of an independent oil and natural gas producer;
- Allen Nelson, representative of labor;
- Letha Haas, representative of labor;
- Bryan Christian, representative of the trucking industry;
- Sen. Jack Yost, representing Brooke, Hancock, Ohio and parts of Marshall counties (ex-officio);
- Sen. Jeff Mullins, representing Raleigh, Wyoming and parts of McDowell counties (ex-officio);
- Delegate Woody Ireland, representing Ritchie and parts of Pleasants counties (ex-officio);
- Delegate Patsy Trecost, representing Harrison and parts of Taylor counties (ex-officio).

Members of the Commission are charged with reviewing current federal and state oil and natural gas workplace safety regulations and provide recommendations for improving workplace safety in the oil and natural gas industry, according to a news release and will issue a report Nov. 16.

"As we continue to explore opportunities to diversify our state's energy portfolio, we must ensure the safety of hardworking West Virginians at drilling sites, production facilities and pipelines across the state," Tomblin said in a prepared statement. "This Commission will help us determine how to best protect workers at natural gas operations while ensuring our workers have the proper training and skills to do their jobs in the safest, most effective way possible."

Reprint from The State Journal Posted: Jul 09, 2015 by The State Journal

ELM Program

The Lay of the Land New major covers ground in energy land management



West Virginia University is responding to the booming Marcellus Shale growth in West Virginia and the corresponding increasing demand for energy professionals by offering a new degree program focused specifically on preparing students for careers in energy land management.

The energy land management major achieved a crucial milestone last fall when WVU's Board of Governors officially approved a Bachelor of Science degree in Energy Land Management. The milestone follows the WVU Faculty Senate's approval in June and is the result of a year of hard work from the WVU Davis College



of Agriculture, Natural Resources and Design that made the program a reality.

"The ELM program was formed to give students interested in the focused area of land management the knowledge necessary to succeed in the energy sector," said Shawn Grushecky, coordinator of the ELM program.

It is one of only 10 programs in North America accredited by the American Association of Professional Landmen.

Professionals in this discipline determine the ownership of surface and subsurface rights, negotiate contracts and leases, coordinate field exploration activities, serve as a liaison between lease owners and exploration and production companies and ensure community and environmental quality during energy development.

Energy companies with large footprints in West Virginia and the Marcellus Shale have supported the ELM program through its development and are pleased to see it has achieved Board of Governors approval.

Mark Acree, senior land manager in the Marcellus Business Unit at Noble Energy Inc. said this academic initiative that will prepare students for careers in energy land management.

"Noble Energy is proud to financially support West Virginia University's Energy Land Management program and serve on the ELM Advisory Board," Acree said.

"We look forward to watching the program grow and are actively involved in contributing to the success of the program through our advisory board C noble on the second s

The Energy Land Management program is one of only

10 PROGRAMS

in North America accredited by the American Association of Professional Landmen. As part of his 55 County Tour of West Virginia in 2014, WVU President E. Gordon Gee, along with faculty, staff and students, toured the Dominion Blue Racer gas plant in Natrium and a Noble Energy gas well in Marshall County.



membership and by providing guest lecturers for classes. We anticipate this program will generate very qualified students that will be prime candidates for internships and ultimately be recruited to work with top energy companies around the country, Noble Energy included."

The advisory board also includes representatives from firms like Cabot Oil and Gas, Dominion, EnerVest, Ally Land & Energy, Range Resources, Antero Resources and Steptoe & Johnson. Board members are active in organizations like the Independent Oil and Gas Association of West Virginia, the West Virginia Oil and Natural Gas Association, the Michael Late Benedum Chapter of the AAPL and the Northern Appalachian Landman's Association.

"The energy companies on the advisory board formed a partnership to support the program, providing \$500,000 to support the curriculum development and faculty," said Grushecky. "This is the first time the Davis College has worked with industry to develop a new major from the ground up and had this kind of private support for creating a program."

The Energy Land Management program joins WVU's Environmental and Energy Resource Management program in providing industry-ready graduates for the region's booming energy sector, training skilled employees for important roles in public and private enterprise. *****

Article By: David Welsh Marketing And Communications Director Davis College of Agriculture, Natural Resources Design West Virginia University

For more information, go to energy.davis.wvu.edu.



Ohio Adopts Horizontal Well Site Construction Rules

Posted By David E. Northrop

The Ohio Department of Natural Resources (ODNR), Division of Oil and Gas Resources Management has <u>adopted</u> rules requiring the approval of plans for horizontal well sites prior to the construction or material modification of the sites. The rules, codified at OAC 1501:9-2-01, 1501:9-2-02, and 1501:9-12-01, became effective on July 16, 2015.

The rules require the electronic submission of an application for approval of the well site (consisting of the well pad, access roads, areas altered to install ponds and other water control components, storage facilities, and other areas altered for drilling and production operations), and provide that construction or material modification of the site may not commence without first obtaining a permit from the Chief of the Division. The rules prescribe the information to be provided in the application, including detailed drawings of all features within the well site boundary prepared and certified by a professional engineer, a sediment and erosion control plan, a dust control plan, a geotechnical report, and a stormwater hydraulic report.

The applicant and a representative of the Chief must meet at the site within 15 days of notification by the Chief that the application is complete. The applicant must submit certification by a professional engineer after completion of the well site that the site has been constructed in conformity with the approved application. The text of the rules, a discussion of the rules' contents, and forms prescribed by the Chief are available on the Division's <u>website</u>.

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CONTINUING EDUCATION OPPORTUNITIES

AAPL offers various educational programs, workshops and regional institutes for landmen as well as oil and gas professionals. The association also provides review and testing opportunities for those interested in obtaining RL, RPL and CPL certification designations.

<u>JOA Workshop - Pittsburgh, PA</u> 8/25/2015 -8/26/2015

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New MLBC Members – June 2015

First Name	Last Name	Employer	Member Type
Jon	Grompone		Active
Aaron	Hubbard		Active
Cody	Gilliam		Active
Megan	Ritchea		Associate
Dustin	Emenhiser		Active
James	Anderson		Active
Heather	Gilbert		Active
Sarah	Carter	Babst Calland	Associate
Adam	McCauley	Carrizo Oil & Gas, Inc.	Active
Madeline	Fitzgerald	Chevron	Active
Jeff	Horne	Complete Title Solutions	Active
Carol	Hartzell	Complete Title Solutions	Associate
Shawn	Duffy	Duffy Oil and Gas, LLC	Associate
Kami	Elliott	Holland Services	Active
Tom	Westerfield	Independent	Active
Robert	Watters	Mountaineer Keystone, LLC	Active
Jan	Mock	Oil & Gas Title Abstracting, LLC	Associate
Ashley	Lucas	S & A Property Research, LLC	Associate
Mary Lou	Adams	S and A Property Research, LLC	Associate
Julie	Justus	S and A Property Research, LLC	Active
Becky	Cox	S&A Property Research	Associate
Dustin	Nuche	Stallion Land Services	Active
Gillian	Flick	Steptoe and Johnson, PLLC	Associate
Lisa	Tabita	Tabita Professional Services, Inc.	Associate
Ashley	Lee	Terra Services	Associate

New MLBC Members – July 2015

First Name Ryan Deborah Matthew Anthony Kendall Jon Mimmie Nicole Bernie Larry James Tenielle Tara Joshua Becky Emilwah	Last Name Grubb Hetherington Varrato Drezewski Etier Yost Yost Gasbarrini Worley Skrzysowski Karastamatis Bechtel Rice Hannold Hackert	Employer Beta Land Services Field Worx, Inc. Field Worx, Inc. MW Gary Percheron LLC Rice Energy Sunoco Logistics TBA, LLC Vorys, Sater, Seymour and Pease LLP Vorys, Sater, Seymour and Pease, LLP Western Land Services	Member Type Active
Emilyah	Hull	Western Land Services, Inc.	Active

MLBC – QUESTIONS FROM THE FIELD

By Morgan Griffith, Esq., RPL

Dear Morgan and Andy:



What can we do about this situation: an old lease with one well on it, but there's no production being reported? It looks like the landowner is getting free gas. Is that enough to save the lease? Thanks, Dave.

By way of background, the free gas clause of an oil and gas lease provides that the lessor (or the surface owner) is entitled to use gas produced from the leased premises free of charge. Often the use is limited - for example, 200,000 cf per year. As you know, once a lease is out of its primary term, it can be extended to a secondary term if certain conditions are met. Some leases say that the lease will be extended "as long as oil or gas is produced" or "so long thereafter as oil or gas is produced in paying quantities". (There are 100 variations - these are two common examples.) Production is key. Generally, courts have said that free gas (sometimes called "house gas") by itself is not production and the lease has terminated if the only gas being produced is the free gas. There may be an exception - if the lease calls for a flat rate well rental instead of a gas royalty—i.e. \$200 per gas well per year—the lack of production might not be fatal to the lease if the flat rate well rental has been paid. Some courts have said that flat rate leases do not require production so long as the lessor is receiving the flat rate rental because the lessor only bargained for a flat payment instead of a share of the gas production. (There are limits to this rule; in particular, in West Virginia and Pennsylvania, the legislatures have passed laws that strictly limit the enforcement of flat rate leases.) In sum, you need to read your lease. If the only well holding your old lease is a house gas well, your lease may be in trouble. It may be a good idea to have your lessor ratify the old lease. If the lease is a flat rate lease and the lessee has been making payments, the lease probably has not terminated, but we'd still recommend having your lessor ratify the lease to avoid any argument.

Morgan Griffith is senior counsel with Columbia Pipeline Group in Charleston, WV. She can be reached at <u>mgriffith@cpg.com</u> or 304-357-3240. Andrew Graham is a partner with Steptoe & Johnson in Morgantown, WV. His email address is <u>andrew.graham@steptoe-johnson.com</u>. Andy's phone number is 304-598-8161.

WVU study: Utica gas resources, production could potentially surpass Marcellus

While the Marcellus Shale basin has been getting most of the credit for West Virginia's recent natural gas boom, a recent West Virginia University study suggests the Utica play could soon fall under the spotlight.

Data from the Utica Shale Play Book Study, a two-year geological study conducted by the Appalachian Oil and Natural Gas Research Consortium, suggests the Utica Shale play is much larger than original estimates, and its size and potential recoverable resources are comparable to the Marcellus play, the largest shale oil and gas play in the U.S. and the second largest in the world.

The majority of the Utica, which spans West Virginia, Pennsylvania, Kentucky, Ohio and New York, lies beneath the Marcellus.

"This is a landmark study that demonstrates the vast potential of the Utica as a resource to complement – and go beyond – what the Marcellus has already proven to be," Brian Anderson, director of WVU's Energy Institute, said in a statement. "Dr. (Douglas) Patchen and his team are to be commended for assembling an impressive consortium to undertake such a comprehensive study such as this."

A 2013 study by the U.S. Energy Information Administration, reported that Marcellus Shale operators produced 2.86 trillion cubic feet of gas. And in a 2012 study, the U.S. Geological Survey estimated that technically recoverable resources in the Utica – the volume that can be extracted from the reservoir using existing technology – were 38 trillion cubic feet of gas and an additional 940 million barrels of oil.

Researchers with consortium, which is a program of the National Research Center for Coal and Energy at WVU, found the Utica play contains technically recoverable resources of 782 Tcf of gas and 1,960 MMbo.

"The revised resource numbers are impressive, comparable to the numbers for the more established Marcellus Shale play, and a little surprising based on our Utica estimates of just a year ago which were lower," Douglas Patchen, director of the consortium and well-known expert on the Appalachian Basin, said in a statement. "But this is why we continued to work on the resource estimates after the project officially ended a year ago.

"The more wells that are drilled, the more the play area may expand, and another year of production from the wells enables researchers to make better estimates."

In addition to the oil and gas resource estimates, the team also presented comprehensive data on other matters, such as stratigraphy, petrology, reservoirs and areal distribution of the play, at July 14 workshop in Canonsburg, Pennsylvania.

The researchers expect that given current technology the play-wide oil recovery factor will be about 3 percent and the gas recovery factor will be approximately 28 percent in the "sweet spot" areas.

Additionally, according to the study, the play is actually neither "Utica" nor "shale," and data point to an interbedded limestone and organic-rich shale interval in the underlying Point Pleasant Formation as the preferred drilling target.

http://www.slideshare.net/MarcellusDN/utica-shale-playbook-study-from-wvu

Reprint from the State Journal Posted: Jul 15, 2015 By Sarah Tincher, Energy Reporter

CORPORATE SPONSORSHIP LEVELS

Platinum \$5,000.00 per year

Benefits of Platinum Sponsor

- Logo on the corporate sponsor board at every meeting along with the meeting sponsor board.
- Logo on the back of every Takeoff and the bottom of every membership email.
- Receive three meeting/dinner passes for each meeting for one year.
- Receive one free Full Page advertising ad.
- Receive free Half Page ad in the takeoff per year.
- Logo on Golf Outing sponsorship boards.

Gold \$2,500.00 per year

Benefits of Gold Sponsor

- Logo on the corporate sponsor board at every meeting.
- Logo on the back of every Takeoff and the bottom of every membership email.
- Receive one free Half Page advertising ad in the Takeoff per year.
- Logo on Golf Outing sponsorship boards.

Silver \$1,500.00 per year

Benefits of Silver Sponsor

- Logo on the corporate sponsor board at six meetings.
- Logo on the back of every Takeoff and the bottom of every membership email.
- Receive one free Half Page advertising ad in the Takeoff per year.

Bronze \$750.00 per year

Benefits of Bronze Sponsor

- Logo on the corporate sponsor board at three meetings.
- Logo on the back of every Takeoff.

Advertising in The TakeOff

Full page ad \$500.00 per month

Half page ad \$250.00 per month

Dinner Meeting Sponsorship

Cost \$250.00 per meeting. Companies will receive advertising at the dinner meeting as well as your logo displayed on our website for the month of the meeting you sponsor.

To secure a corporate sponsorship, advertise in the Take-Off, or if you have any questions please contact Tara White @ <u>twhite@mlbc-aapl.org</u>. Please contact Jeremy White at <u>jwhite@eqt.com</u> for dinner meeting sponsorships.









2015-2016 EXECUTIVE COMMITTEE



President Aaron R. Yost, CPL Percheron Energy aaron.yost@percheronllc.com



Director Rex Cecil Ray EQT Production <u>cray@eqt.com</u>



Vice President John Kimbleton, CPL Latitude Land and Regulatory jkimbleton@gmail.com



Director Jeremy White, RPL EQT jwhite@eqt.com



Secretary Jeremy Preston, RPL EQT Production <u>jpreston@eqt.com</u>



Director Lori Naser Oil & Gas Title Abstracting Lori.naser@ogta.com



Treasurer Britney Crookshanks, RPL Northeast Natural Energy <u>bcrookshanks@nne-llc.com</u>



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Sergeant-At-Arms Christa Dotson EQT Production cdotson@eqt.com



President Emeritus Anthony Farr Tioga Resources <u>afarr@tioga-resources.com</u>



Executive Director Tara White MLBC twhite@mlbc-aapl.org

2015–2016 COMMITTEE CHAIRS

Awards	Arnold Schulberg	aschulberg@schulberglaw.com	
Bylaws	Chris Elswick	chris.m.elswick@gmail.com	
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Finance	Jeremy White, RPL	jwhite@eqt.com	
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Directory	OPEN OPEN		
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Spring Golf	Jeffrey Junstrom	jjunstrom@tuckerlaw.com	
Scholarship	Justin Nixon	jrnixon@eqt.com	
Sponsorships	Jeremy White, RPL	jwhite@eqt.com	
Website /Job Bank	Jeremy D. Preston , RPL	jpreston@eqt.com	

MLBC SCHEDULE

<u>Date</u>	<u>Location</u>	<u>Speaker</u>	<u>Topic</u>
August 10, 2015	Valley Brook Country Club McMurray, PA		Fall Golf Outing
September 10, 2015	Bridgeport Conference Center Bridgeport, WV	TBD	TBD
October 1-2 2015	Hilton Doubletree Hotel Washington, PA	Appalachian Land Institute	
November 12, 2015	Marriott Hotel Charleston, WV—Luncheon	TBD	TBD
January 14, 2015	Bella Sera Canonsburg, PA	TBD	TBD

MEMBERSHIP INFORMATION

Michael Late Benedum



"The Great Wildcatter"

The MLBC membership application is located on the website at <u>www.mlbc-aapl.org</u>. Please check your information on the website prior to submitting your renewal. The MLBC website has an updated version of the membership listing. Please use this resource if you can not find yours or others information in the directory. Please report any errors or omissions to Tara White at <u>twhite@mlbc-aapl.org</u>.

Notice of the application(s) of all potential Chapter members shall be published in the next regularly scheduled monthly Chapter "Takeoff" newsletter. Active members shall have the opportunity during for a period of thirty (30) days following the first publication to object to the potential members' application. Such objections to membership approval may be submitted to any member of the Executive Committee and

shall be in writing. The Executive Committee shall take any such objection under counsel in the next regularly scheduled monthly Executive Committee meeting. A decision to accept or reject the membership application shall be determined by a majority vote at such meeting. The Executive Committee shall notify the applicant in writing of rejection.

Application for membership in the Chapter shall be subject to the approval by a majority vote of the Executive Committee at a regularly scheduled meeting, after the aforementioned thirty (30) day newsletter publication period, and shall require the signed approval by the acting President of the Executive Committee, as evidence of the Committee's approval. Names of any and all newly approved members shall be read at the following regularly scheduled general meeting of the Chapter.



MLBC WEBSITE

If you experience any problems using the website or if you have any suggestions, please contact Jeremy Preston via e-mail at <u>JPreston@eqt.com</u>.



JOB BANK

The direct link for MLBC Job Bank is <u>www.mlbcjobbank.com</u>. If you have any questions, please contact Jeremy Preston via e-mail at <u>JPreston@eqt.com</u>.



PHOTO ALBUM

We would like to share our Photo Album with you to show you what MLBC has been doing throughout the year. The direct link for MLBC Photo Album is <u>www.mlbc-aapl.org/VPhoto.php</u>.