

# ONLINE EDUCATIONAL AND INDUSTRY TALKS



As the world changes, so do the demands on mineral owners and those asked to guide them. Decision-makers must be prepared to navigate an increasingly challenging landscape impacted by a constantly evolving technological, regulatory, and legal environment.

To guide the development of everyone from the first-time mineral owner to the long-established family office or professional advisor, Massive Minerals Management has prepared a series of professional development programs designed to deepen the attendee's knowledge base in critical topics impacting mineral ownership.

**Custom Topics:** In addition to the suggested topics below, Massive Minerals Management can develop a custom curriculum covering any mineral or energy-specific topic that your organization may be facing. Whether a 30-minute session focused on a specific topic or an all-day retreat, Massive Minerals Management will develop a custom program to address your unique needs.

## INTRODUCTORY

- 1. Introduction to Mineral Rights:** A basic overview of the concept of private mineral rights in the United States. We review the various specific legal interests that are included within the idea of mineral rights, and how each benefits their owner. Can be tailored to a specific state.
- 2. Overview of an Oil and Gas Lease:** This presentation walks the listener through the basics of an oil and gas lease between the operator and mineral owner. We cover the legal nature of the lease, the rights granted to the operator, the rights retained by the mineral owner, duration of the lease, and key issues that a mineral owner should consider before and after leasing.
- 3. Life Cycle of an Oil and Gas Project:** This discussion traces the life cycle of an oil and gas development project from the time the prospect is generated by an oil and gas company, through leasing, drilling, production, and eventually plugging. We cover concepts such as basic geology, land titles, oil and gas leases, drilling and production operations, and end of life considerations for a well.
- 4. Introduction to Surface Use and Water Rights:** This presentation covers the basics of surface and water rights, and then reviews issues relevant to an owner whose lands are being used for oil and gas operations, such as drilling sites, water use, easements, and surface reclamation.
- 5. Understanding The Mineral Portfolio:** This discussion focuses on how a mineral owner can build a complete picture of their mineral asset holdings, which is necessary for effective management and monetization. We cover locating minerals on a map, determining the size and nature of the interests, identifying all producing wells, and building an inventory of interests and production history. We then discuss the various valuation methods that can be used to place an economic valuation on these holdings, as well as forecasting future production and cash flows.

## INTERMEDIATE

- 1. Ensuring the Proper Payment of Royalties on Production:** It is not uncommon for a mineral owner to have an interest in one or more wells on which they are not being paid, or interests that are being paid incorrectly by the operator. This presentation covers how to conduct an audit to ensure that you are in pay on all wells producing from your minerals, and how to ensure that the interests you are in pay on are correct.
- 2. How to Calculate Mineral Ownership Interests:** This presentation provides an overview of land titles and title examination, and reviews how an oil and gas company determines and calculates mineral and royalty rights, as well as ascertaining rights to a share of production.
- 3. Things an Oil & Gas Lease May Not Cover – Implied Covenants in an Oil and Gas Lease:** Aside from the express agreements in an oil and gas lease, the law has developed to impose certain obligations and duties on oil and gas operators. These include the duty to act as a reasonable operator, the duty to protect against drainage, and the duty to market oil and gas.
- 4. Division Orders – Agreements Prior to Payment:** Prior to disbursing royalties, oil and gas companies typically require the mineral or royalty owner to sign a division order agreeing to their share of production. This presentation provides an overview of the division order as well as implications and key considerations for the mineral owner.
- 5. Surface and Water Use Issues for the Landowner Under Oil & Gas Development:** This presentation takes a deeper focus on the surface and water use considerations prior to leasing, during development, and after operations have ceased. We discuss how to protect surface and water interests in an oil and gas lease, key issues that emerge during drilling and production, and what considerations the landowner should keep in mind when looking to develop his surface estate.

## ADVANCED

- 1. Operator's Ability to Maintain Lease After Primary Term:** Once an oil and gas lease's primary term ends, the operator's ability to maintain the lease depends on the level of production, as well as the requirements restricting the depths and lands that can be held. This presentation covers the doctrine of production in paying quantities, pooling, retained acreage clauses, and depth restrictions.
- 2. Overview of Gas Flaring Regulation:** For many reasons, operators will elect to flare or vent natural gas as opposed to marketing the same for sale. Regulation of gas flaring and venting is likely to take on renewed significance. This presentation covers the mechanics and 'why' of flaring, and looks at present and upcoming regulations.
- 3. Texas Allocation Wells:** Allocation wells are utilized to drill a well across property lines where an operator cannot pool the acreage or does not want to pool for a variety of reasons. Once controversial, these wells are now generally accepted practice in Texas. We review the basics of an allocation well, how interests are calculated, and concerns and considerations for the mineral owner.
- 4. Ensuring Proper Payment – Reviewing the Operator's Ability to Deduct Costs from Royalty Payments:** While a mineral owner's share of production is generally considered 'cost-free,' the operator's ability to deduct certain amounts for taxes and post-production transportation and refining is governed by the oil and gas lease. These post-production cost deductions can amount to as much as 25% of the royalties owned to mineral owners. This presentation covers mechanics and current law of cost-deductions.
- 5. Forecasting the Life of a Well:** A well's productive life is a key component of monetary returns for any interest owner. We review the various types of oil and gas wells, how time, location, hydrocarbon mix and geology impact lifespan, as well as the methods used to forecast the productive life of a well.