

DALWORTH newsletter

DALWORTH ASSOCIATION OF DIVISION ORDER ANALYSTS

972-738-8475

President's Corner

WOW !! Where has the year gone? Pretty soon it will be time to roll our clocks back. The rain and the cooler temps are a welcome change to our Texas summer.

Marsha Miller finished the 2009 Directory and we delivered to all members who attended our last meeting. She has also distributed those that were not picked up at the meeting. The cover design by Cameron and Mindy Stilwell is beautiful and reflects our support for our troops.

In our Board meeting Angela Korthauer volunteered to represent Dalworth on the NADOA Board for the next two years. Ballots for the 2010 Board will be out to everyone in early November. Be sure to vote for those you wish to represent you.

We had a great meeting on September 1st at Love and War in Texas in Grapevine. The food was great just like it was last December when we met there.

Teresa Grafton from Denbury Resources gave us a colorful and informative talk for Division Order Tar Babies: Trusts and Units.

--- Thanks, Teresa

A **BIG THANK YOU** goes out to **SPINDLETOP EXPLORATION CO, INC** for complementary beverages for the meeting. Hope to see many of you at our upcoming joint meeting in Ft. Worth with DFW-ALTA.

Carol Pearson
President
Dalworth - 2009

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REMEMBER...these committee chairpersons are here to serve you. Please contact them if you have any comments or suggestions, or would like to volunteer your time to assist.

This Newsletter is published for the benefit of our members to keep them informed of not only oil and gas industry issues but also, personal issues. If you have any interesting tidbits you would like to share with your professional peers, please submit articles to Carol Pearson cp9@ntrs.com

CHANGED YOUR NAME OR ADDRESS?

Contact Karen Albritton - kalbritton@rangeresources.com

DALWORTH TREASURER'S REPORT

June 2, 2009 - September 1, 2009

Bank Balance	16,373.59
Income	1,650.00
Less Expenses	6,141.15
Ending Bal 9/1/09	11,882.44

MEMBERSHIP UPDATE

Current Members	89
New Members	41
Lifetime Members	23
Board Members	<u>14</u>
TOTAL	167

Invite your co-workers to come to our next meeting and ask them to join.

WELCOME NEW MEMBERS

We are glad to welcome all the new members that have joined in 2009.

*** Members please be sure to welcome visitors and new members sitting around you.

WEBSITE UPDATE

Thanks to the diligent work of Hanna Webster. As of late June our new website is up and running. Please pull up Dalworth.org and check it out. If you have any comments or suggestions? Email Hanna @

hwebster@compassroyaltymanagement.com

OIL FIND NEWS

submitted and summarized by
Hanna Webster

Spanish Energy Company, REPSOL YPF SA, just announced a large Natural Gas discovery off the coast of Venezuela.

The field, twice as big as first expected, is located west of Venezuela, in waters nearly 200 feet deep. The area could encompass up to 12.7 square miles and may be more than 780 feet thick. The field will take five years to be fully developed.

REPSOL estimates the field "Cardon IV" at 7 to 8 billion cubic feet of natural gas - approximately the equivalent of up to 1.44 billion barrels of oil.

If the find is confirmed, it will be the largest-ever discovery for REPSOL and its Italian partner ENI SPA, Italy's energy company. State-owned Petroleos de Venezuela, SA will control 35% of the

ownership, the remainder to be split between REPSOL and ENI at 32.5% each.

This latest announcement follows recent news of a substantial find off the Coast of Brazil, which may hold "tens of thousands" barrels of oil, per a REPSOL spokesman.

REPSOL is also a leader in exploratory work in the Gulf of Mexico, as the operator of a new find of a 100 meter (ca. 328 feet) Hydrocarbon Column of significant light and sweet oil resources, accessed via a well located approximately 6 miles deep, in 6,500 feet of water.

This particular venture, lead by REPSOL as operator, is made up of Chevron, Maersk Oil America and Samson Offshore Company. In the past few years, REPSOL has also become an important player in the Gulf of Mexico Shenzi field (currently in its final stages of development), an area among the most profitable and of highest potential deepwater reserves in the world.

There is news that the Bakken, with 4.35 billion barrels of recoverable oil, called the "largest, continuous oil accumulation is has ever assessed" by the U.S. Geological Survey, is now looking at a staggering turn to the upside.

Geologists and oil industry officials are now saying that we may have a "second Bakken" on our hands, which according to North Dakota's Dept. of Mineral Resources "could eventually equal the Bakken". It's called 3 Forks - Sanish oil formation, and lies directly underneath the Bakken.

2009 NADOA INSTITUTE – EDUCATION The Pride and Power of a Nation

" I had a great time at the Institute. It was wonderful to meet so many new people, and I felt like many of the classes were both interesting and beneficial to me. Great door prizes (Even though I didn't win one)! - Ryan Hudler

"I am so grateful to DALWORTH for sending me to the NADOA institute in Washington, D.C. this year. The planning committee did an outstanding job of arranging the whole 3 days, from the hotel accommodations to the classes. For the first time, I was able to put a friendly face with the voice of several I work with on a regular basis. There were some of the most seasoned division order analysts in classes expressing the same astonishment upon gaining additional info into title curing that we thought we already knew about! I hope I can attend again next year and encourage everyone to work toward that goal, also." - Joyce Andrews

"Great classes with great speakers; great networking; and as always, the very best is reminiscing with others about how we knew each other way back when..." – Terri Van Zandt

This year's NADOA Institute in Washington, D.C. was awesome! While all of the sessions were informative, my favorites were "Current Issues in Wind Energy Law 2009", presented by Rod E. Wetsel of Wetsel & Carmichael, LLP, and "Curing Land Titles-Common Conflicts in the Instruments of Title", presented by Terrill Williams of Petroleum Education Workshops, LLC. Mr. Wetsel spoke to us regarding wind farm leases and how our work as Division Order Analysts relates to the maintenance of ownership of wind rights through death or transfer, in addition to some very interesting stories regarding landowners and wind rights.

Mr. Williams' presentation regarding curing land title issues had us scratching our heads trying to determine who actually owned the mineral interest when one or more parties in the chain of title failed to record their conveyances. The presentation was very entertaining and enlightening and was certainly a contest of speed thinking and accuracy by the attendees.

After a day of classes, the Thursday night event planned by the Institute Committee featured a buffet dinner with "DC Under the Lights" as our evening entertainment. For those of you who have not visited Washington, D.C., the memorials are absolutely beautiful at night! I hope everyone has the chance to visit our nation's capital. No matter what side of the political fence you are on, the history of the area combined with the beautiful memorials, government buildings, museums and scenery are a must see. This year's NADOA Institute will be one I shall not forget!

- Karen Albritton

The 2009 NADOA Institute in Washington DC was one of the best I have ever attended. The key note speakers were excellent, classes were enlightening, hotel was wonderful, Thursday night event was so much fun and the city was not to be missed. It is always so nice to reacquaint with old friends and peers that you see at this wonderful Institute. I encourage others to make an attempt to attend next years Institute as the education as well as the memories are something special.

--- Brenda Pirozzolo

As your President, I want to take this opportunity to THANK YOU and say how much I appreciate that Dalworth sponsors our President to attend the NADOA Institute each year. I agree with all the comments submitted by some of our members who attended this year. We had a great experience and exceptional speakers. DC is a great city to visit to really feel connected to our country. No matter how you feel about the political world right now, our heritage as Americans is something that will never change. We have much to be proud of and to commit ourselves to preserve. Being an American is a true blessing.

----- Carol Pearson

2009 MEETING SCHEDULE

October 27th – Joint Lunch mtg. w/ DFW / Alta in Fort Worth.

SPEAKER – Mary Lou Cassidy – of Counsel Stubbemen, McRae, Sealy, Laughlin & Brow

TOPIC : Oil and Gas in an Estate –
"A Tale of Suspense"

Check DFW/ALTA.org website for reservations

December 3rd – Holiday meeting at Texas Land and Cattle in Arlington, TX

OIL AND GAS ALERT: Louisiana Federal District Court's Decision in

***Thomas v. Pride Oil & Gas Properties, Inc.*¹**
Comforts Haynesville Shale Lessees

¹In February 2007, William R. Thomas granted Pride Oil and Gas Properties, Inc. an oil and gas lease

covering 17 acres in Red River Parish, Louisiana. Thomas subsequently filed suit seeking to rescind the lease, asserting three alternative bases for rescission—(1) that he was defrauded by Pride; (2) that the price paid for the lease was grossly out of proportion with its fair market value; and (3) that Thomas was mistaken concerning “a substantial quality” of the mineral rights that the lease conveyed, absent which mistake he would not have agreed to the lease. Pride moved to dismiss the suit for failure to state a valid claim.

Thomas alleged that Pride suppressed the truth and perpetrated fraud through silence or inaction. Under Louisiana law, in order “[t]o find fraud from silence or suppression of the truth, there must exist a duty to speak or disclose information.” The Louisiana Mineral Code provides that a “mineral lessee is not under a fiduciary obligation to his lessor.” Therefore, the court concluded that Pride did not owe Thomas a duty to disclose any information that Pride may have possessed regarding the possibility that substantial mineral deposits underlay Thomas’s property, and the court dismissed Thomas’s fraud claim.

A contract for sale of immovable property (which, under Louisiana law, includes an oil and gas lease) generally may be rescinded pursuant to the Louisiana legal doctrine of “lesion beyond moiety”² when “the price is less than one half of the fair market value of the immovable” However, the Louisiana Mineral Code specifically provides that “[a] sale of a mineral right is not subject to rescission for lesion beyond moiety.” The specific Louisiana Mineral Code rule trumps the general “lesion beyond moiety” rule. Therefore, the court refused to rescind the lease on lesion-beyond-moiety grounds.

The court assumed the truth of Thomas’s allegation that he was unaware of the possibility that potentially valuable shale deposits existed under his land. Nevertheless, “[i]n light of the particularly speculative nature of mineral exploration and production,” the court held that an error as to the existence of mineral deposits does not constitute an error as to a “cause without which the obligation would not have been incurred” (which is the type of error that, under Louisiana law, would provide grounds for rescission of a contract). Consequently, the court dismissed Thomas’s claim that the lease should be rescinded because of his alleged lack of awareness of the nature of the valuable mineral deposits underlying his land.

The leased premises at issue in this case are located in the heart of the Haynesville Shale play. With the recent and sudden increase in activity in the Haynesville Shale have come claims, such as the one in this case, that landowners who entered into leases during the early phase of Haynesville Shale development did not receive fair prices. This case illustrates courts’ reluctance to entertain these arguments and undo the parties’ bargained-for agreements.

¹ 2009 WL 1309725 (W.D. La. May 7, 2009)

² *Black’s Law dictionary defines (a) “lesion” as “the injury suffered by one who did not receive the equivalent value of what was bargained for” and (b) “moiety” as “a half of something (such as an estate).”*

Submitted by Hanna Webster

Please fully complete the **REQUIRED INFORMATION SECTION AND SHARED INFORMATION AUTHORIZATION**. If you are applying for membership, secure the sponsorship of a DALWORTH member **DALWORTH ASSOCIATION OF DIVISION ORDER ANALYSTS**
MEMBERSHIP APPLICATION OR RENEWAL

Dear Dalworth Member or Applicant for Membership; and have that person sign the form where indicated. Our 2009 directory will close on **March 1st**. Please sign & mail this form with your **\$25.00** dues to the address below. If your membership renewal or application for membership is received by **March 1st**, your name will appear in the 2009 DALWORTH Directory.

REQUIRED INFORMATION

Name:
 Company:
 Address:
 City/State/ZIP: E-Mail

Telephone Number: () Address:
Fax Number: ()

SHARED INFORMATION AUTHORIZATION

Periodically, other industry related organizations request membership lists for use in providing notifications of educational opportunities and events. Would you like your information shared with these organizations?

1. For the purpose of educational opportunity notifications? Yes___ No ___
2. For the publication of a new directory that is inclusive of other industry related groups as well? Y___ N ___

VOLUNTARY INFORMATION

By completing this **VOLUNTARY INFORMATION SECTION**, you will enable us to collect statistics and data to help us better serve your needs as a member.

1. How many years experience do you have in Division Order work? _____
 2. Are you a member of the National Association of Division Order Analysts? _____
If yes, are you a C.D.O.A.? _____
 3. Please list any DALWORTH offices you would consider running for. _____
 4. Please list any committee(s) on which you would like to serve. _____
 5. Please list any seminar topics you would like to see presented. _____
-
6. Please list any specific field of expertise you would consider sharing in a seminar presentation.

SIGNATURE	DATE	SPONSOR'S SIGNATURE	DATE
		(Needed for first time member only)	

Mail check and this form to:

Karen Albritton
Range Resources Corporation
100 Throckmorton Street, Ste 1200
Fort Worth, TX 76102

Make checks payable to: Dalworth Association of Division Order Analysts or use the abbreviation Dalworth.
 Have questions? Call Karen Albritton at 817-869-4275 or email at kalbritton@rangeresources.com

8Q3-269r - Senior Division Order Analyst

Analyzes and interprets provisions of various leases, deeds, rights of way, mineral records and agreements involving company assets for assigned areas in order to facilitate the distribution of proceeds from oil and gas sales and collection of well expenses. Maintains ownership records of producing properties in assigned area. Analyzes legal changes that impact minerals and operations and incorporates those changes into work process.

Detailed Description

- Determines working interests and burdens associated with interests based on title analysis of deeds, assignments, purchase & sale agreements, probate documents, leases and royalty agreements
- Drafts summary analysis of chain of title based upon reviews
- Analyzes division order title opinions and all associated documents
- Processes all probate information and transfer documents from interest owners in order to maintain a correct division of interest
- Maintains and corrects divisions of interest when payouts and recompletions occur
- Acts as liaison to Accounting, Marketing and Operating departments when necessary to respond to interest owner inquiries
- Updates system on Final Reports, Sundry Notices, Disposition Letters, and 1st Pay Notices
- Prepares AFE billing forms and provides to other departments
- Oversees duties performed by Clerks and assists in their training

Job Requirements

- High School Diploma or equivalent and seven or more years lease records/division orders experience or Bachelors degree and five or more years related experience
- Advanced knowledge of land operations and administrative process in oil and gas industry
- Advanced computer and software skills
- Excellent communication and interpersonal skills

Additional Details

Normal office environment.

How To Apply

Please go to https://oracledmz.nobleenergyinc.com/OA_HTML/IrcVisitor.jsp, register your account and submit your resume for consideration.

Thank you.