

# MAPL HOLIDAY NEWSLETTER

# 2011

## SEASON FOR GIVING

Everyone recognizes the Christmas season as a time for giving. We see reminders of charitable donations in many ways. One of the most recognizable charities that everyone sees is the Salvation Army bell ringers as they solicit holiday shoppers in front of many stores. Some people give more money during this season to the church they attend or to their favorite charity than at any other time during the year.

There are other ways of making charitable donations. Lots of volunteers donate their time gathering Christmas toys for needy children or boxing various food supplies for families in need. Along this line of thinking, since this is the "Season for Giving", why not donate some of your time to MAPL. The officers representing the Board of Directors give of their time to promote MAPL to a higher level each year and to serve each and every MAPL member by providing the best available educational opportunities. Beginning in March of 2012, the current officers will be soliciting and taking applications to fill the position of Membership Chairman. If you have not served as a MAPL officer in the past, consider making an application for this position as your "Season for Giving" donation. Your membership will appreciate charitable offering.

If being an MAPL officer is not your cup of tea, there is still another way for you to participate in this "Season for Giving". Thought you were off the hook, didn't you. I have been a landman for 29 years and the one thing I appreciate the most is what a fellow landman from Tennessee gave me during the second and third years of my profession. This Southern abstractor, by the name of Trudy, patiently taught me how to search and analyze the most difficult land titles and reduce my findings to a report that was concise and accurate. She also taught me the true meaning of resolving curative issues which is a term some landmen confuse with title searching or simply correcting mistakes in leases. In the past 1 1/2 years I have had the privilege of being able to pass on that knowledge to more than one landman. By getting out of the office to work with other landmen in performing and proofing title searches, I have been able to pass on the one thing that I treasure the most from this industry, and that is knowledge and experience. I have participated in the "Season for Giving" and the feeling for doing so is very satisfying. I hope that each of you will participate in the season also.

Season's greetings,  
**Tom Coughlin**  
MAPL President

## Welcome New Members!

Scott Bellinger (MOGN)	David Renwick
James Bourbeau, Jr.	Jeff Rubritius
Steve Cheney	Paul Smith
Roland Frank	Mike Stanley
Philip Hackworth	Matthew Van Dyke
Lance Hannah	Kent Waskerwitz
Robert Hood	
Christopher Horvath	
Brian Hubbell	
Robert Kennard	
Michael Kohler	
Kent Loeffler	

**David Millsop**  
MAPL Membership  
Chairman

## CHRISTMAS GREETING

Negotiating skills for landmen have been tested at length during 2011. The Utica-Collingwood formation play of 2010 drove lease prices up to \$2,000 per acre and above. Then within a period of one week, the leasing play came to an abrupt halt. Although EnCana Oil & Gas is still drilling and fracing wells in Kalkaska County, the Utica-Collingwood play suffered serious setbacks due to lack of production from the initial wells drilled.

A number of Michigan landmen have been actively working Devon Energy's Silurian A-1 Carbonate play which originated in Gladwin County but has since spread to many counties in the central 1/3 of Michigan. As you already know, lease prices are somewhat back to normal or maybe just a little higher than normal. As more wells are drilled, we will discover whether Michigan land and mineral owners will be as lucky as their counterparts in West Virginia, Pennsylvania, New York and Ohio. Neighboring states have witnessed lease prices climbing to over \$5,000 per acre. All we can do is wait and see, and of course hope.

One thing for sure is the Christmas holiday season is upon us. It is the season for joy and celebration. On behalf of the MAPL Board of Directors, I extend best wishes for a Merry Christmas and Happy New Year to each and every MAPL member and their families. May you be healthy and prosperous in 2012.

Merry Christmas,  
**Tom Coughlin**  
MAPL President



## Oil and Gas Lease Priority

Mortgage subordinations are title curative items that landmen deal with in nearly every title opinion they work on. In some instances if the requirement is not satisfied a company may determine the risk is too great to drill a new well. Recently it has been suggested that a priority mortgage on a newly leased tract can constitute a title defect and therefore release the Lessee from the obligation of paying the bonus consideration and resulting in termination of the lease offer.

On June 30, 2010 Ohio enacted a significant amendment to their Oil and Gas Laws with one part of the amendment being a section that allowed oil and gas leases, pipeline easements and other documents related to the production and sale of oil and gas that are subordinate to recorded mortgages or other liens to have priority over those liens. The result is those oil and gas documents cannot be terminated in the event of a foreclosure of the mortgage or lien, provided the documents are in good standing. The 2010/2011 MAPL board discussed this issue early in 2011 and in June of 2011 through MOGA Legal & Legislative committee member Gary Worman made a request to the MOGA committee to explore the viability of lease priority legislation and whether MOGA would take the initiative to pursue a statute. MOGA's Legal & Legislative committee agreed to pursue the issue and have prepared a draft amendment to the Mortgage and Land Contracts foreclosure statute Parts 31 and 32 of the Michigan Revised Judicature Act. There are several more steps that remain in the process before a lease priority bill can be introduced to the legislature, but progress toward that goal is being made. We will keep you posted.

Tad Stuart  
MAPL Vice President

## Happy Holidays to All!

I would like to wish all a Merry Christmas and Happy New Year and thank all our members, sponsors and volunteer speakers for their support in the past year. I look forward to another inspired year in 2012.

Tad Stuart  
MAPL Vice-President

## *A special message from your Region II AAPL Director and MAPL Immediate Past President...*

*I would like to take a moment to wish all MAPL members a very Merry Christmas and a prosperous New Year. Being in my 6<sup>th</sup> and final year on the MAPL Board of Directors, it has truly been my pleasure to serve our wonderful Membership! I look forward to many eventful years ahead of us as your AAPL Director. I would also like to thank everyone for your continued support.*

**Merry Christmas and Happy New Year!**  
Leslie Irish, RPL

## Happy Holidays to our members!

As the new Treasurer of MAPL I can tell you first hand that your membership dues and financial contributions are being put to good use. Over the past year, MAPL has presented a number of educational and social events aimed at furthering the effectiveness and increasing the knowledge base of the Michigan landman while also promoting camaraderie among its members.

As Treasurer I am responsible for organizing the May, 2012 MAPL meeting. Please join me in Lansing on May 7<sup>th</sup> (the night before the Spring State of Michigan Mineral Lease Auction) and welcome Hal Fitch, DEQ Supervisor of Wells as he discusses compulsory pooling and what every landman should know about the process.

Until then, I hope you all have a wonderful holiday and a very prosperous New Year!

Steve Rapanos, RPL  
MAPL Treasurer

## Happy Holidays!

It's hard to believe another year is almost over! I hope to see you all on February 16th at the Comfort Inn in Mt. Pleasant for the Winter Mini Seminar! Wishing you and yours a Merry Christmas and a Happy New Year!

Sue Benson  
MAPL Secretary

## *Your ideas are important!*

As a MAPL member, you are invited and encouraged to share your ideas. Our board strives to provide educational seminars and meetings pertaining to current topics of interest. If you have an idea or a topic please contact one of our board members today! Furthermore, we are always looking for speakers and sponsors to volunteer to support our events. If you or someone you know would like to be a guest speaker or a sponsor for an upcoming event, we encourage you to contact a board member. Thank you for your participation and dedication to our organizational goals.