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# ND STATE LEASE SALE to be held on February 4, 2014

The ND DEPARTMENT
OF TRUST LANDS
will hold its quarterly
ND Oil & Gas
Lease Auction on

Tuesday
February 4, 2014
at 9:00 AM CST
North Dakota State
Capitol House
Chambers
Bismarck, ND

For a complete list of nominated tracts, visit the Land Department's website at www.land.nd.gov.

#### First Quarterly L.A.N.D. Meeting & Social

L.A.N.D. will be holding its quarterly meeting on **Monday**, **February 3, 2014**, at the **Kelly Inn**, **Bismarck**, **ND**. The business meeting is scheduled to begin at 5:30 PM and the social at 6:00 PM.

The social is open to all L.A.N.D. members and friends, industry quests and personnel.



We would like to thank
Petro-Hunt for sponsoring our
LAND Social for the evening.

### 2014 LAND Membership Dues

It's time once again to support your professional association. Your annual dues for 2014 can now be paid.

A Renewal Form has been emailed along with this newsletter. Please fill out your renewal form completely and mail it along with your membership fee.

Membership choices are as follows:

- One (1) year x \$25.00 = \$25.00
- Five (5) years x \$25.00 = \$125.00
- Ten (10) years x \$25.00 = \$250.00

If you would like to pay your dues or if you have any questions regarding your dues payment, you can e-mail Tom at: tom@greatnorthernenergy.net



## President's Report

Jeff Skaare, RPL



Greetings Land Professionals,

The holidays are over but winter is not. This is the time of the year that we anxiously wait for melting snow, longer days and lighter jackets. I suspect that many of you, having acclimated to the cold, have already opted for lighter jackets following the major deep freeze. Nonetheless, the freezing temperatures no doubt affect us personally and the industry we work for. Cold weather has a way of causing things to break which often leads to problems in the patch. I, however, maintain that every day in North Dakota is a beautiful day. I know many of you share that sentiment, as we continue to grow as a State. I encourage you to embrace the North Dakota climate, breathe in some frosty air and repeat, "every day in North Dakota is a beautiful day."

Our upcoming meeting is Monday February 3, 2014 and will be held at the Kelly Inn. Petro-Hunt, LLC has agreed to be our sponsor and we sincerely appreciate all that they do for L.A.N.D. The meeting time is 5:30 p.m. CST. Additionally, the North Dakota State Land Department has agreed to hold its State lease auction on Tuesday, February 4, 2014 starting at 9:00 a.m. CST in Bismarck, at the State Capitol House Chambers. The current sales list shows 27 tracts with roughly 5,183 gross and 2,552 net acres in 8 different counties. After reviewing the list of tracts, I suspect this sale will proceed rather quickly.

As I stated in my last newsletter, the majority of North Dakota's Bakken producing counties are seeing at least the first well drilled and we are seeing more of a development stage rather than a lease play. We are also seeing and hearing more about the effects a developing oil industry has on all of those communities. I encourage all of you to take time to educate

yourselves on these changes. There is never a shortage of news stories about the development and I encourage you to read them all to be educated about the industry. Pursuant to our own By-Laws, we have a duty to "at all times to promote and, in a fair and honest manner, represent the industry to the public at large with the view of establishing and maintaining goodwill between the industry and the public." The only true way to uphold that duty is to continue to educate yourself on your chosen industry.

Again, thank you for allowing me to serve in this position and I look forward to seeing all of you at our upcoming meeting and State Sale the following day.

Godspeed,

Jeffrey L. Skaare





# **AAPL Director's Report**

Rick Frazier, AAPL Director



AAPL held its quarterly Board of Directors' Meeting on the 8th of December, 2013, in White Sulphur Springs, WV. This was my first "official" quarterly meeting as L.A.N.D.'s Regional Director to AAPL. I found the meeting to be most informative and was presented in the true "class act" fashion that one would expect from AAPL.

AAPL is stronger and more vibrant than ever, with a total membership of well over 18,000. Of these, nearly 15,000 are Active Members. As would be expected with such strong membership numbers, the numbers of landmen advancing their careers to certification has significantly increased over the last reporting year. Here is a quick comparison of applications applied for:

	CPL	RPL	RL
2012/2013	55	129	240
2013/2014	148	207	109

Since the lion's share of L.A.N.D. members are "Independent Landmen", the thrust of my reports to L.A.N.D. will focus

primarily on information that I find salient to independent landmen as well as to local brokers. That's not to say my information to y'all will be entirely of that genre. I will, of course, be providing updates on all other AAPL activities that I consider meaningful and not confidential in subject.

It seems as though we may never be free of the Independent Contractor/Employee issue, and the IRS continues to bring the subject to the forefront. In March 2008, Thomas Perez, Secretary of the Maryland Department of Labor, Licensing and Regulation, testified before a Maryland legislative committee that misclassification of independent contractors is a "pervasive practice that cheats the state out of revenue, creates an un-level playing field for businesses and deprives employees of their basic rights." Perez is now the U.S. Secretary of Labor under President Obama and intends to "crack down" on the misclassification of employees as independent contractors. John

Thompson, a prominent labor attorney recently, claimed that "one of the highest priorities of the U.S. Department of Labor is to identify situations in which workers are erroneously considered not to be employees..." Although I am NOT an attorney, do not play an attorney on television, or stay at a Holiday Inn last night, and am IN NO WAY GIVING LEGAL ADVICE, here are five unsolicited suggestions that I have received through the grapevine that might be helpful:

- HAVE A CONTRACT
   Every subcontractor doing
   field land work should have a
   written contract with his, or
   her, broker, regardless of the
   size of the job.
- 2) SUBCONTRACTORS SHOULD
  BE SINGLE-MEMBER LLC'S
  It has also been suggested that
  each individual should have
  their own Employee
  Identification Number (EID) to
  use for reporting taxes rather
  than using his, or her, Social
  Security Number

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#### AAPL Director's Report continued from page 3

- DO NOT PROVIDE ANY
   "EMPLOYEE-TYPE" BENEFITS
   Self explanatory
- 4) NO OFFICE SPACE PROVIDED

  If you do allow independent
  contractors to use your office
  space on a regular basis, it
  might be a good idea to charge
  them monthly rent on the space
  that they use and occupy
- 5) MEMBERSHIP LISTING IN THE
  AAPL OR LOCAL
  ASSOCIATION DIRECTORY
  UNDER INDIVIDUAL NAME OR
  LLC, AS APPLICABLE
  Self explanatory

Again, the above are simply suggestions ONLY, and are IN NO WAY INTENDED TO BE LEGAL ADVISE. I strongly recommend that everyone consult their personal attorney(s) for legal counsel on this issue.

I spoke with several of AAL's Directors who are either independent contractors or who are brokers. Many of them indicated to me that, while day rates remain fairly constant in their areas, land work has been slow for the entire year of 2013. All are looking forward to a more active 2014. I guess there's always a bit of solace in knowing that "misery loves company". At least as working landmen here in North Dakota, we're not the only ones who have experienced a somewhat dismal 2013. Here's to a promising 2014!

In closing, and on a more positive note, AAPL will be holding its Annual Meeting June 25th through June 28th, in Montreal, Canada. Pulitzer Prize winner George Will has been chosen to be the Keynote Speaker for the Thursday morning Opening Session. Mr. Will is a renowned conservative and industry advocate. I am personally

looking forward to hearing his remarks. I have been in Montreal on several occasions and can testify first-hand that it is an incredibly interesting city with a long history. AAPL has scheduled numerous exciting events, both industry-related and non-industry related. Please contact AAPL for more details on the Annual Meeting's events and registration. This will be a "must attend" event.

I will be attending AAPL's next Quarterly Board of Directors' Meeting in San Antonio, TX, on March 22nd and 23rd, and will provide L.A.N.D. with an update in the first newsletter following the Directors' Meeting.

Happy New Year with best wishes for a healthy and prosperous 2014!

Rick



# **Continuing Education Credits**

This is just a reminder for those who need Continuing Ed Credits; one continuing education credit will be awarded to all who attend the full L.A.N.D. meeting. (Not just the social!)

A signup sheet will be available at the meeting. There is no cost for this credit, but you do have to be in attendance for the full meeting.

February 2014



## North Dakota Petroleum Council Report

Ron Ness, President of the North Dakota Petroleum Council



The agenda for the 2014 Williston Basin Petroleum Conference has been released! The line-up is jam packed with three days of exciting and informative speakers, including talks on crude oil transportation, Bakken optimization, geology, remote capture technologies, regulatory and environmental issues, and investment. The full agenda can be found at: www.wbpcnd.org/agenda.



Wednesday will feature keynote speaker and Marathon Oil
Corporation CEO and
President, Lee Tillman, and we'll wrap the conference up
Thursday afternoon with an exciting session titled Bakken

Strong: Leadership for Energy Security. The session will feature an incredible line-up of speakers, including Tom Petrie of Petrie Partners, and major Bakken operator CEOs Harold Hamm, Continental Resources; Jim Volker, Whiting Petroleum; and Tommy Nusz, Oasis Petroleum. You're not going to want to miss it!

General registration for WBPC 2014 will open at 9:00 AM CST on January 29, 2014 at www.wbpcnd.com. Hotel rooms fill up quickly, so we strongly encourage you to book them now by contacting the Bismarck-Mandan CVB here.

For more information regarding the conference, please visit www.wbpcnd.com or contact us at 701.223.6380 and ndpc@ndoil.org. **See you in May!** 













Jan 23-24 Advanced Mineral Title Examination

Marriott City Center Hotel

Denver, CO

Feb 3 First Quarter L.A.N.D. Meeting

5:30 pm CST ~ Kelly Inn

Bismarck, ND

Feb 4 ND State Lease Sale

9:00 A.M. CST - House Chambers

North Dakota State Capitol, Bismarck, ND

May 20-22 Williston Basin Petroleum Conf.

Bismarck Civic Center

Bismarck, ND

For more info - www.wbpcnd.com

#### WELCOME New 2014 LAND Members

Anderson, Mark R.
Brothers, Brett J.
Gorham, Nicole R.
Gunnufson, Megan C.
Irgens, Jon Paul E.
Johnson, Nicholas D.
Souza, Kyle J.





#### DONALD B. SASS MEMORIAL SCHOLARSHIP

This scholarship is open to anyone pursuing an energy-related degree at an accredited institution and who is a graduate of a North Dakota High School.

Applications for the scholarship can be found at www.ndcf.net > View the Map > Statewide Funds > Donald B. Sass Memorial Scholarship.

Application DEADLINE is April 1, 2014.

For further information, please contact
Kate Moser Black at 701-255-1416 or
email her at <a href="mailto:kate@inlandoil.net.">kate@inlandoil.net.</a>

#### To Donate to the Sass Scholarship

If you would like to donate to the SASS Scholarship, please send your contributions to:

Tom St. Peter, L.A.N.D. Treasurer P.O. Box 2703 Bismarck, ND 58502-2703

~ Advanced Mineral Title Examination ~

Thursday – January 23-24, 2014 ~ Marriott City Center Hotel, Denver, CO For more information: <u>info@rmmlf.org</u> or Tel: (303) 321-8100

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This newsletter is the quarterly publication of the LANDMAN'S **ASSOCIATION OF** 

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