L.A.N.D. will be holding its first quarterly meeting.

**Thursday, February 7, 2019**

Peacock Alley (Langer Room)
Bismarck, ND.

The business meeting is scheduled to begin at 5:30 PM, with social to follow.

Plan to hang around and bar hop with your fellow landmen after the meeting is adjourned!

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**L.A.N.D. to Elect New Officers at the May Quarterly Meeting**

L.A.N.D. members will elect a new slate of officers at our 2nd Quarter L.A.N.D. meeting on May 6, 2019. Nominations will be received from the floor at that time. Any volunteers will also be welcomed.

Kate Black, current Vice-President, will move up to President. Jason Mazigian will move into a Director’s position.

Positions that are open for election are: Vice-President, Secretary, and Treasurer.

Please contact Jason Mazigian or any other board member for further information. Board members are listed on the last page of this newsletter, along with their contact information.
**President’s Report**

*Jason Mazigian, CPL*

**Happy New Year!**

I hope everyone had an enjoyable Holiday Season! I don’t think anyone can complain about how this winter has been going in North Dakota (knock on wood). Please join us for our 1st quarter meeting in Bismarck Thursday, February 7th at 5:30pm in the Langer Room at The Peacock Alley. Yes, you read that correctly, Thursday. Since the state sale is no longer being held in person, we do not need to maintain the first Monday of the month for our typical quarterly meetings. We are trying something new, so please provide us your thoughts. With this new location we are hoping the social turns into more of a social event.

Thank you to all of those who were able to attend the ‘Surface Use and Access’ training seminar put on by AAPL. We will continue to try and bring educational events to our area if we have the requests, support, and attendance.

Please welcome Michelle Phillips (Hess) as LANDs new chair of the newly developed Surface portion of our organization. With so much surface work being conducted, we felt it necessary to have a qualified person to act and represent LAND and its members in that capacity.

Already looking forward to our next LAND meeting in May, AAPLs President, Michel “Mike” Curry, CPL will be attending and speaking at our meeting. We are anticipating there will be an educational seminar that day as well. We will also be conducting our election of officers as current terms are expiring. Please contact any of the LAND Board members if you are interested in stepping up and helping LAND and your fellow landmen.

A friendly reminder that the AAPL CPL/RPL Exam will be in Bismarck April 9-12. Please consider attending and becoming certified or attend for refresher purposes or even to obtain certification credits.

If you have any ideas on where or how we can make our LAND meetings more interesting, please do not hesitate to reach out to your Board.

Happy New Year!

*Jason Mazigian*

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**2019 LAND Membership Dues**

It’s time once again to support your professional association. Your annual dues for 2019 can now be paid.

With our current membership options of paying a five- or ten-year membership, we have several members that are paid-up for next year. We will be sending out a dues email to ONLY those memberships expiring, so if you receive the “2019 Dues Email” please comply with filling out the renewal form and send it in with your chosen payment.

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 have any questions regarding your dues’ payment, you can e-mail Tom at: tom@greatnorthernenergy.net

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**ND State Lease Sale**

The list for the ND Department of Trust Lands’ oil and gas lease offering has been posted to its website: https://land.nd.gov

The auction is scheduled to be held online on at: https://www.energynet.com.
AAPL Director’s Report
Michael Dewald, RPL

The last AAPL quarterly Director’s meeting was held in Austin, TX. Unfortunately, work got in the way and I was unable to attend.

The 2019 Annual Meeting is fast approaching. It will be held in Pittsburgh, PA June 19-22 at the Wyndham Grand Pittsburgh Downtown. If you plan to attend, register soon, as prices increase after March 12th. Don’t miss out on all the annual meeting has to offer from 24 RL/RPL/CPL credits to networking with landmen from around the country at the Hot Play Happy Hours. I have never been to Pittsburgh and hope to attend, especially if the Pirates are in town.

It has come to my attention that North Dakota Workforce Safety and Insurance (WSI) has been doing some “checking” to verify the independent status of some landmen. If you have any questions or concerns on this issue I would highly recommend checking out what AAPL has to offer. Visit the AAPL website click on the Independent Contractor Toolkit. Here you can find helpful tips, presentations, articles and other resources on how to do business as an independent contractor.

At a previous LAND meeting I had brought up the Advisory Landman Connection Program. This new AAPL program was started to facilitate learning and development opportunities within the land profession. Since that meeting was lightly attended, I am including a letter from Chairman of the Advisory Landman Connection Committee to get the information out to all LAND members (next page). I encourage you to participate.

Mark your calendars for these upcoming AAPL Events:

- **NAPE Summit** – February 11 - 15, 2019 – Houston, TX
- **CPL/RPL Review and Exam** – April 9 -12, 2019 – Bismarck, ND
- **Annual Meeting** – June 19 - 22, 2019 – Pittsburgh, PA
- **Summer Nape** – August 21- 22 – Houston, TX

I plan to attend the next quarterly meeting in March. Please get a hold of me with any concerns, questions, or suggestions, and I can bring them to AAPL’s attention.

Thank you,
Mike Dewald

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**Trouble Finding Missing Mineral Owners?**

Contact
W.T. Butcher & Associates, LTD.
Toll Free: 1-800-700-1541
Email: dina.wtba@midconetwork.com

Serving LAND Members Since 1982

Search Fee: basic $50 & up (depending on degree of difficulty)
Turn Around Time: 24-48 hours
September 26, 2018

Michael A. Dewald, KPL
Landman’s Association of North Dakota
Post Office Box 2703
Bismarck, ND 58502

Dear Michael A. Dewald, KPL,

As you may be aware, the American Association of Professional Landman (“AAPL”) created the Advisory Landman Connection Committee (“Committee”) that has developed the referenced program to facilitate learning and development opportunities within the land profession. This program will allow members to seek voluntary non-legal advice in which they may learn from each other on the topics of their choice and, through the use of technology, take advantage of a format to build relationships and enhance skills. The only cost for participation in the program is the commitment of an individual’s time, and desire for educational enhancement of the AAPL membership.

This program will provide the platform to connect experienced land professionals with individual’s that are either new to the profession or those that desire to enhance their skills in new areas of focus. Those interested will be connected with either an Advisor or Participant, depending on the specific desires of the applicant, in order to enable the individual to share their knowledge and career guidance to help each other grow as professionals.

As a land professional, the Committee wanted to bring the Advisory Landman Connection Program to your attention in the hopes that you would consider participating as either an Advisor or Participant. As an Advisor, you will be paired with a participant who seeks knowledge or experience throughout the different plays and basins that you have worked, that may include such topics as Technology, Negotiating Leases, Joint Operating Agreements, Pooling, Joint Development Agreements, Title matters and general support for Landmen new to the profession. Although the program will be funded upon voluntary participation, an initial six-month program commitment is requested for Advisors and Participants, so that the program may be implemented and evaluated in order to receive constructive feedback that will lead to positive long-term results.

We hope that you participate in this mentoring opportunity that will remove the limitations and barriers that may exist in many traditional programs that may have been restricted by geographical boundaries. Our vision is to link members together for open discussion and communication with visual attributes that include face to face communication when possible, or by telephone, internet, skype and email at a minimum of one hour per month.

The AAPL and the Committee strive to utilize technology in order to facilitate the implementation of the Advisory Landman Connection Program. If you would like to participate in the innovative program, please logon to the AAPL website and gain access to an application through the use of the link http://apmny.aged.landman.org/advisory.

If you have any questions regarding this innovative program, please contact Fred Schantz, Chairman of the Advisory Landman Connection Committee at fschantz55@gmail.com.

Best Regards,

Fred Schantz

Fred Schantz

800 Fournier Street, Fort Worth, Texas 76102 | Phone: 817.847.7706 | Fx: 817.847.7704 | E-mail: aaplandman.org | www.landman.org
North Dakota Petroleum Council Report

Ron Ness, President of the North Dakota Petroleum Council

NDPC New and Emerging Leaders Training
As part of their Enhanced Member Benefits program, the NDPC hosted their first session of New and Emerging Leaders Training in November 2018. The program was a great success, the class was more than full, and participants recommend more people from their companies participate. So far, NDPC has scheduled two more sessions for the training, February 4-5 and February 6-7 with plans to add more sessions later in the year. The Bismarck Tribune did a story on the program: https://bismarcktribune.com/business/local/oil-group-growing-next-generation-of-management/article_3cc0f346-3784-5bb2-9140-ddf2689246f4.html

2019 ND Legislative Session
NDPC is monitoring several bills during this legislative session. Bills that LAND members might be interested in including:

Landowner Bills
The Northwest Landowners and friends had a handful of bills dropped in the hopper before the bill deadline last Monday. These bills may be some of the most troublesome we’ll see this session, but swift committee action may help to reduce their likelihood of passage.

SB 2259 - was heard by the Senate Finance and Taxation Committee. This bill is nearly identical to one proposed in the last session (SB 2332) and adds language that is meant to assist a jury in determining “just compensation” in an eminent domain action. Part of the proposed changes add to statute methods that a competent appraiser would use anyway in determining the value of a parcel of real estate. Some troubling aspects of the bill include valuation based on an informed and willing but unobligated seller and buyer, which would allow evidence based on transactions that never took place. Today an appraiser looks at completed sales of property to use in determining value. Sales that never took place would allow total speculation to enter valuation. “My neighbor said he would give me $x for that quarter section.” Additionally, the language “any just and equitable method of valuation” is unclear. The three primary methods used by appraisers today are: comparable sales, income approach, and cost approach. These are tried and true, and we believe a competent appraiser would not like to speculate on a “just and equitable method.” The bill would also allow evidence of what had been paid for comparable easements, but those are not necessarily “arms-length transactions,” as they may be resolved under threat of condemnation, time deadlines, etc. and thus are not representative of what property is worth. This bill awaits committee action at this time.

HB 1438 - requires a bond for the reclamation of a well site be posted. However, the ND Industrial Commission already provides for well bonding requirements through the administrative rules process. Those bonds may only terminate after plugging and reclamation of the well has been approved by the Commission. Additionally, protections for plugging and reclaiming well sites exist in the Abandoned Oil and Gas Well (continue page 6)
Plugging and Site Reclamation Fund ("AWPSRF") if a well is abandoned with no principal bond holder capable of covering costs. This fund sits with a current fund balance of approximately $21 million and is replenished through allocations from the state’s oil and gas impact fund and through moneys received from drilling and reclamation bond forfeitures, among other sources. NDPC testified in opposition to HB 1438, as the statutory requirement is unnecessary and extremely costly when considering the $1.2 billion price tag attached to adding reclamation bonds to the roughly 12,000 well sites expected to require such bonds. This bill was heard in the House Energy and Natural Resources Committee and awaits further committee action.

HB 1440 - is another “repeater” bill that is nearly identical to a bill offered in 2017, SB 2331. This bill requires soil and groundwater tests be taken prior to commencement of drilling operations, and that the results of those tests be provided to the surface owner. HB 1440 disregards existing soil and water quality data and regulatory requirements, thus creating a duplication of sampling and analysis requirements with a high implementation cost and very little, if any, benefit to the landowner. NDPC lobbyist Todd Kranda, testified in opposition to this bill, providing a historic overview of this topic and why the requirements of the bill remain unnecessary and burdensome to industry. On Friday, the House Energy and Natural Resources Committee gave HB 1440 an 11-2 Do Not Pass recommendation.

HB 1490 - allows a tenant of a surface owner to collect damages for lost agriculture production and income from a mineral developer. NDPC again testified in opposition to this bill, sharing that current law already requires the mineral developer to reimburse and pay to the surface owner any loss of agriculture production caused by oil and gas operations. Accordingly, the mineral developer has no privity of contract with, nor any other legal relationship or connection to, the tenant of the surface owner. The mineral developer has no privity of contract with, nor any other legal relationship or connection to, the tenant of the surface owner. The House Energy and Natural Resources Committee understood this objection and gave the bill a 13-0 Do Not Pass recommendation. The bill now moves to the full House for its vote.

HB 1299 - the bill requiring easements acquired for pipeline construction that was considered last week was taken up by the House Energy and Natural Resources Committee on Friday. The committee voted an 11-2 Do Not Pass recommendation for this bill, which will see a full House vote next week.

Though not submitted by a landowner group, HB 1184 prohibits state and local governments from using quick take eminent domain to acquire private property. Passage of this bill could potentially result in a hindered ability of political subdivisions and the state to construct infrastructure critical to oil and gas operations. Though it did not take a formal position on the record, NDPC will continue to monitor this bill and weigh its overall effect on the industry.
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: https://ndcf.net/receive/scholarships/sass.html

Application DEADLINE is April 1, 2019.

For further information, please contact Kate Moser Black at 701-255-1416 or email her at kate@inlandoil.net.

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
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