



AAPL Director's Report

It is my pleasure to provide you with my third AAPL Quarterly Report as your Region 4 Director. The Board of Directors' Meeting was held on Sunday December 4, 2011, in Scottsdale, Arizona at The Four Seasons Scottsdale Resort Hotel. Topics discussed are detailed below. They include the Annual Meeting 2012 and, seating of new directors, NAPE Report, Treasurer's Report, and several Committee reports.

The meeting was well attended by the majority of the local association directors and a significant amount of AAPL Committee Chairmen. The 2012 San Francisco Annual meeting is approved and scheduled for June 8-11, 2012.

The list of your AAPL Officers is listed below:

**President – Jack Richards – Devon Energy – Oklahoma City, OK
First Vice President – Jim Dewbre – Southwestern Energy Company – Houston, TX
Second Vice President – Bernard Ulincy – Range Resources Appalachia – Canonburg, PN
Third Vice President – Russell Shinevar – Independent – Lansing, Michigan
Secretary – Pamela Feist – Lakewood Exploration – Midland, TX
Treasurer – Houston Kaufman – Trinity Land Services - Ft. Worth, TX**

New directors seated and sworn in were as follows:

Leslie Irish (Michigan Association) and Tim McGhee (West Houston Association). I list these names in case some of you know these directors so you can keep in contact with them.

AAPL's Treasurer, Houston Kaufman, provided a detailed report of AAPL's finances.

Included in his report were the following highlights:

AAPL assets increase from \$18.3mm to \$19.2 mm a 4.7% increase. The poorly performing stock market played a major factor in the slight increase in assets as well as income from Winter NAPE. All in all, it appears that AAPL's finances are fundamentally sound and properly invested given today's economic climate.

Summer NAPE 2011 had 5587 attendees including exhibitors and vendors, which was down 140 people from last year's event. Over 50 media outlets attended/covered Summer NAPE 2011 including members of the Chinese media station New Tang Dynasty. General Honore' was the keynote speaker. You may recall he was appointed by George W. Bush to spearhead the Katrina recovery efforts. \$100,000 was donated to Operation Finally Home and Canine Friends of Soldiers charities. Winter NAPE 2012 is scheduled for February 22

– 24, 2012 at The George R. Brown Convention Center and George W. Bush will be the keynote speaker of the NAPE Luncheon. Tickets are on sale now for \$100 per ticket. The AAPL NAPE committee is in the infant stages of planning “regional” NAPEs or “Mini” NAPEs in locations such as Pittsburgh and Denver. Also, David Cape made an appeal to the directors present to ask for volunteers to be “NAPE Ambassadors”. NAPE Ambassadors will be charged with wondering a certain aisle and obtaining feedback from the various Exhibitors on their aisle to see how things are going and if there is anything that AAPL can do to improve their NAPE experience. You can contact/email David Cape at david.cape@cypresssep.com if you would like to volunteer.

Some of the more interesting Committee Reports were as follows:

“spOILed” the Movie premiered at the board meeting. It is a 90 minute long documentary on the energy industry. It was and is a phenomenal documentary! I highly recommend each of you purchase a copy for \$24 by going to their website <http://www.spoiledthemovie.com/>. AAPL feels so strongly about this movie and its educational content that CPL & RLP points can be awarded for watching the movie.

AAPL’s PR firm, Pierpont Communications out of Austin, TX continues to assist AAPL with advice on improving its image among its membership and the general public. They are thinking about designing a pin for every landman to wear and formulate a PR campaign around the pin in rural areas for leasing purposes. They have coined the catch phrase NICE when encouraging nonmember landmen to join the AAPL. NICE stands for Negotiations, Influence, Certification and Education. This is an ongoing effort and details and progress will be reported in subsequent reports as deemed fit.

Membership Committee:

AAPL currently has 13, 038 up from 12, 665 members up from this time last year which is an excellent testimonial to the job Jack Richards and the Membership Committee has done. Also a compensation survey was circulated to all AAPL members and the deadline to complete the survey ended December 14th. Results of the survey will be reported to the board when same become available.

By Laws & Policy Review Committee:

Michael Curry with Cotton Bledsoe Tighe & Dawson is the chairman and his committee circulated the latest/revised by laws to each director and focused on obtaining feedback from the directors present on their comments and changes. His committee hopes to have a final draft approved by the board meeting in March 2012.

IT/Website Committee:

Randy Nichols with Cinco Land Services in Houston is the committee chairman. His committee is hard at work working with service providers Vanguard Web Designs and Member Suite the AMS provider. They hope to have a final AAPL website up and running by the March 2012 quarterly board meeting. They also plan on designing a “sister website” to AAPL’s main website which is hoped to inform the general public on what a landman is and what his duties are and to let them know we as a profession are governed

by a Code of Ethics and Standards of Practices. His committee is doing phenomenally hard work and is to be commended on their efforts, so next time you see Randy let him know your appreciation.

Independent Contractor/Tax Committee:

This committee is chaired by Roger Soape and his assistant chair Alan Morgan. They reported various cases of independent landmen getting audited by the IRS. AAPL cannot financially assist in landman audits however they do have a "Safe Harbor" letter dating back to 1994 which was written by Pete Marwick & Mitchell which the various landmen being audited can show the IRS auditor. Roger suggested the letter needed to be updated and the board granted Roger the funds to have the letter updated to today's laws and standards. AAPL has also posted its' tax returns on their website should any member desire to review same.

Forms Committee:

The forms committee has begun the initial phases of drafting a new Form 610 JOA to include horizontal drilling language.

Nominations Committee:

Nominations for Officers in AAPL are now open. Refer to AAPL's website for requirements on nominating officers. The deadline for nominations closes February 1, 2012.

Those were the highlights of the meeting and once again let me express to each of you how great an honor it is to serve the NHAPL and its members and I look forward to seeing you this year at all the luncheons and socials. It is my wish that each of you enjoy continued success in the land profession. If you wish to contact me concerning the contents of this report please email me at rhelms@teaminonline.com. It is my wish for each and every one of you to have a very Merry Christmas and a safe and prosperous New Years!!

Respectfully submitted by,

Randy Helms, CPL
NHAPL Regional Director 2011-12