

Professor Bret Wells

Law Center
University of Houston

Oil & Gas

Syllabus

Fall Semester 2018

Summary Sheet

1. **Class sessions:**

Monday and Wednesday from 1:00 P.M. to 2:30 P.M.

2. **Reading Materials:**

- a) Required Reading Materials: Weaver, *Texas Oil and Gas Law: Cases and Materials (Fall 2018)*. These materials can be obtained from Amanda Parker in TU2—114 during normal business hours.
- b) Suggested (but not required) Reading Materials: Joseph Shade, Primer on the Texas Law of Oil and Gas (5th Ed. LexisNexis 2013).

3. **Attendance requirement policy:**

Consistent with university policy, 80 percent attendance in class is required. An attendance list will be circulated at each class session. Those individuals not satisfying the attendance requirement will be reported to UH Law Center administrative officials to be dropped from the course.

4. **Course Objective:**

The objective of this course is for you to learn the substantive law of Texas Oil and Gas in a comprehensive manner. To accomplish this goal, we will study the landmark cases that have shaped the substantive law in the order set forth in the Weaver casebook. Throughout the casebook, there are Problem Sets that test your knowledge and synthesis of the discreet topics covered in the materials. You should work through these Problem Sets, and we will work through many of them in our class discussion. The Weaver casebook also has a Form Lease agreement in its appendix. See pages L-1 through L-5 of the Weaver casebook. Throughout the course, we will continuously refer back to the Form Lease and consider drafting issues and lease interpretation issues as we make our way through the various substantive topics. The law of Texas Oil and Gas represents a rich mixture of Property Law concepts and Contract Law concepts, so it builds on principles you learned in your first year classes. After completion of this course, in addition to being well prepared for Bar Exam questions in Real Property/Oil and Gas, you should have confidence in being able to identify the critical legal issues for oil and gas matters and should also have an appreciation for how lawyers draft oil and gas leases to address these legal issues.

5. **Class session coverage, focus & discussion:**

- a) Schedule of Coverage for Semester

The Reading Assignment set forth on the last page of this syllabus indicates that our class discussion will proceed at an orderly pace. The number of class sessions

anticipated to be held during the semester is 27 (two classes each week except during weeks with holidays), and in these class sessions we will cover 25 discrete Reading Assignments. Each class session will last approximately 90 minutes. You are expected to be able to discuss the assigned reading in depth, so please make a commitment to be prepared. Your advanced preparation gives you the best opportunity to correctly synthesize our class discussion.

b) Subject Matter Coverage

We will cover 25 Reading Assignments in 27 class sessions. I will also reserve time in the last class session for a Review Session. As a result, please be prepared to discuss the Reading Assignment where we left off in the previous class session and please also be prepared to discuss the next succeeding Reading Assignment. As a rule of thumb, you should read about 35 pages ahead of where we ended in the prior class session. We will proceed in the order set forth in the Reading Assignment sheet, but please note that the dates for covering these materials will shift. I will post an updated Reading Assignment sheet to my website as these shifts occur. Please be diligent in monitoring our progress so that you are prepared to discuss the materials that will be covered in each class session.

In your study, please attempt to answer the questions in the Weaver casebook that immediately follow the cases. My expectation is that you will have thought about these questions and Problem Sets and will be prepared to give your answers to them when called upon in class. I don't expect you to always correctly answer all of these questions, but you should try to do so before class so that you can better understand the class discussion.

6. PowerPoint Slides

Professor Wells will regularly use PowerPoint slide presentations in class, and these slides will be available at www.law.uh.edu/faculty/bwells after completion of the relevant chapter. These slides are designed for the purpose of aiding our class discussion, and so they should not be viewed as a substitute for your own outlining of the cases.

7. Use of personal computers:

The permitted use of personal computers in the classroom is **solely** for the purposes of (i) reviewing preparation notes and (ii) taking notes during class. Specifically **excluded** from in-class computer usage is anything beyond these activities, e.g., “surfing the web” and messaging. Nonparticipation and nonresponsiveness in the classroom discussion attributable to diversionary uses of your personal computer constitutes an absence from the class. In the event this occurs, you are not eligible to sign the attendance sheet and are subject to appropriate action as the professor may determine in his sole discretion.

8. Grading process for this course:

a) Final Examination. The grade in this course will be entirely dependent upon the final examination (except as noted Paragraph (b) below). The exam is a closed book exam. The examination will occur pursuant to the prescribed examination schedule. We will discuss the final exam in our final review that will be held in the last class session.

b) Participation. Class participation may positively count towards your final grade.

9. Questions to professor. Student discussion in the professor's office is welcomed and encouraged. Office hours are Monday and Wednesday from 10:30 a.m. until 12:30 p.m. and Tuesday from 10:30 a.m. until 11:30 a.m., or as otherwise arranged. Please contact Professor Wells as follows:

Room 128, Teaching Unit II (TU-2)
Telephone: 713-743-2502
Email: bwells@central.uh.edu

10. Counseling Options: Counseling and Psychological Services (CAPS) can help students who are having difficulties managing stress, adjusting to the demands of a professional program, or feeling sad and hopeless. You can reach CAPS (www.uh.edu/caps) by calling 713-743-5454 during and after business hours for routine appointments or if you or someone you know is in crisis. No appointment is necessary for the "Let's Talk" program, a drop-in consultation service at convenient locations and hours around campus. http://www.uh.edu/caps/outreach/lets_talk.html

Oil & Gas Reading Assignment

	Class Date	Topic	Reading Assignment
1	Monday, August 20, 2018	Introduction	Preface P1-P25
2	Wednesday, August 22, 2018	Rule of Capture	Read pp. 1-1 to 1-42
3	Monday, August 27, 2018	Prorationing	Read pp. 2-1 to 2-31
4	Wednesday, August 29, 2018	Drilling Permits	Read pp. 2-33 to 2-63
Monday, September 3, 2018		Holiday-Labor Day	
5	Wednesday, September 5, 2018	Pooling & Unitization	Read pp. 2-64 to 2-108
6	Monday, September 10, 2018	Pooling & Unitization (cont.)	Finish Discussion on pp. 2-64 to 2-108
7	Wednesday, September 12, 2018	Surface vs. Mineral Estates (Accommodation Doctrine)	Read pp. 3-1 to 3-27
8	Monday, September 17, 2018	Surface vs. Mineral Estates (Who owns Hard Minerals?)	Read pp. 3-28 to 3-47
9	Wednesday, September 19, 2018	Property Concepts (Trespass/Wrongful Claimants)	Read 4-1 to 4-39
10	Monday, September 24, 2018	Property Concepts (Cotenants)	Read 4-40 to 4-59
11	Wednesday, September 26, 2018	Property Concepts (Adverse Possession)	Read 4-59 to 4-94
12	Monday, October 1, 2018	Oil & Gas Lease (Habendum Clause)	Read 5-1 to 5-17
13	Wednesday, October 3, 2018	Oil & Gas Lease (Habendum Clause)	Read 5-18 to 5-40
14	Monday, October 8, 2018	Oil & Gas Lease (Delay Rentals/Shut-in Royalties)	Read 5-41 to 5-59
15	Wednesday, October 10, 2018	Oil & Gas Lease (Pooling Clause)	Read 5-60 to 5-88
16	Monday, October 15, 2018	Oil & Gas Lease (Pooling Clause)	Finish Chapter 5
17	Wednesday, October 17, 2018	Implied Covenants	Read 6-1 to 6-24
18	Monday, October 22, 2018	Implied Covenant (cont.)	Read 6-25 to 6-56
19	Wednesday, October 24, 2018	Finish Chapter 6 Implied Covenant (cont) Start Chapter 7 Royalty Clauses (Market Value)	Finish Chapter 6; Start Chapter 7 (7-1 to 7-32)
20	Monday, October 29, 2018	Royalty Clauses and Division Orders (Market Value vs. Proceeds)	Continue with pages 7-1 to 7-32
21	Wednesday, October 31, 2018	Royalty Clauses ("At the Well" / Covenant to Market / Division Orders)	Read 7-33 to 7-79
22	Monday, November 5, 2018	Finish Chapter 7 Royalty Clauses ("At the Well" / Covenant to Market / Division Orders; Start Chapter 8 Obligations of Executive Right Owners	Finish Chapter 7; Start Chapter 8 (Read 8-1 to 8-12)
23	Wednesday, November 7, 2018	Obligations of Executive Right Owners	Continue Chapter 8 (Pages 8-1 to 8-32)
24	Monday, November 12, 2018	Obligations of Executive Right Owners	Finish pages 8-33 to 8-49; Read 9-1 to 9-19
25	Wednesday, November 14, 2018	Conveyancing Issues	Read 9-21 to 9-54
26	Monday, November 19, 2018	Open	
Wednesday, November 21, 2018		Holiday- Thanksgiving	
27	Monday, November 26, 2018	Final Class: Review Session	
Exam	Friday, December 7, 2018	11:00 A.M. to 3:00 P.M.	