

**Curriculum Proposal Cover Sheet – form is available on-line as an interactive PDF**

LSC Use Only Proposal No:  
LSC Action-Date:

UWUCC Use Only Proposal No: 13-1006  
UWUCC Action-Date: AP-1/21/14 Senate Action Date: App-3/25/14

Curriculum Proposal Cover Sheet - University-Wide Undergraduate Curriculum Committee

Contact Person(s) <b>BRION A SCODDER</b>	Email Address <b>SCOD@iup.edu</b>
Proposing Department/Unit <b>FINANCET LEGAL</b>	Phone <b>- 4818</b>

Check all appropriate lines and complete all information. Use a separate cover sheet for each course proposal and/or program proposal.

**1. Course Proposals (check all that apply)**

New Course                      \_\_\_ Course Prefix Change                      \_\_\_ Course Deletion  
 \_\_\_ Course Revision                      \_\_\_ Course Number and/or Title Change                      \_\_\_ Catalog Description Change

Current course prefix, number and full title: \_\_\_\_\_

Proposed course prefix, number and full title, if changing: **BLAW 442/542 The Law of Property Oil & Gas Leasing II**

**2. Liberal Studies Course Designations, as appropriate**

\_\_\_ This course is also proposed as a Liberal Studies Course (please mark the appropriate categories below)  
 \_\_\_ Learning Skills    \_\_\_ Knowledge Area    \_\_\_ Global and Multicultural Awareness    \_\_\_ Writing Intensive (include W cover sheet)  
 \_\_\_ Liberal Studies Elective (please mark the designation(s) that applies – must meet at least one)  
     \_\_\_ Global Citizenship                      \_\_\_ Information Literacy                      \_\_\_ Oral Communication  
     \_\_\_ Quantitative Reasoning                      \_\_\_ Scientific Literacy                      \_\_\_ Technological Literacy

**3. Other Designations, as appropriate**

\_\_\_ Honors College Course                      \_\_\_ Other: (e.g. Women's Studies, Pan African)

**4. Program Proposals**

\_\_\_ Catalog Description Change    \_\_\_ Program Revision    \_\_\_ Program Title Change    \_\_\_ New Track  
 \_\_\_ New Degree Program    \_\_\_ New Minor Program    \_\_\_ Liberal Studies Requirement Changes    \_\_\_ Other

Current program name: \_\_\_\_\_

Proposed program name, if changing: \_\_\_\_\_

**5. Approvals**

	Signature	Date
Department Curriculum Committee Chair(s) —	<i>Alan D. Barton</i>	10-18-13
Department Chairperson(s)	<i>Frank A. ...</i>	10-18-13
College Curriculum Committee Chair	<i>Joyce ...</i>	11-6-13
College Dean	<i>Paul C. ...</i>	11-9-13
Director of Liberal Studies (as needed)		
Director of Honors College (as needed)		
Provost (as needed)		
Additional signature (with title) as appropriate		
UWUCC Co-Chairs	<i>Gail S Sedrict</i>	3/5/14

MAR 5 2014

JAN 17 2014

NOV 11 2013

Liberal Studies

Liberal Studies

## **Syllabus of Record**

**BLAW 442 The Law of Property Oil and Gas Leasing II** 3 lecture hours, 0 lab hours, 3 credits  
**BLAW 542 The Law of Property Oil and Gas Leasing II** 3 lecture hours, 0 lab hours, 3 credits

**Prerequisites: (Undergraduate) BLAW 441**  
**(Graduate) BLAW 633 and BLAW 541**

### **I. Catalog Description**

Second legal course in the energy/oil and gas sequence and will build upon and advance concepts from the first course. Specifically geared toward the sophisticated legal understanding required to be employed as “landman” in the oil and gas fields. Covers these topics: the Habendum Clause, the drilling and rental clause, dry hole, cessation of production, and drilling operation provisions, delayed rental and bonus provisions, forfeiture and related provisions, implied covenants, Prudent operator standard, implied drilling covenants, protection covenants, development, marketing and reasonable care covenants, assignments of royalties, royalty calculation under various state laws, drilling and operating agreements, assignment of working interest, pooling and utilization issues and problems, oil and gas forms and leases, lien subrogation rights, environmental impacts from drilling standpoint and landowner standpoint. Industry guest speakers may also address these issues.

### **II. Course Outcomes:**

Students will be able to:

1. Demonstrate an understanding of the specific dimensions of the legal and regulatory framework in the energy industry.
2. Show application skills in drafting and analyzing various lease, contract and legal documents.
3. Create and apply the legal rules within the energy industry and oil and gas contracts, leasing.
4. Demonstrate the competence to develop and implement an energy legal structure to manage risk and optimize benefits.

**In addition to the above, Graduate students in this course will be able to:**

5. Work with ACTUAL industry executives and landman to draft appropriate legal documents to be reviewed by an attorney or the attorney Professor.
6. Show through drafting and by helping solve actual problems posed by industry insiders knowledge and competence of the legal realm of oil and gas issues.

#### IV. Evaluation Methods

#### COURSE OUTCOME

##### For Undergraduate Students:

Two tests during the semester	40%	1,2,3,5,
Final Examination	30%	1,2,4,3,5,
Two assignments/written case studies	30%	3

##### For Graduate Students:

Two tests during the semester	30%	1,2,3,5,
Final Examination	20%	1,2,4,3,5,
Assignments/written case studies	20%	3
Industry assignment/consultation	20%	4,6,7,
Research Project Report	10%	4,6,7,

##### Grading scale Undergraduate:

Final Grade :	A.....	greater than or equal to 90%
	B.....	80% to 89%
	C.....	70% to 79%
	D.....	60% to 69%
	F.....	<60%

##### Grading scale Graduate

Final Grade :	A.....	greater than or equal to 90%
	B.....	80% to 89%
	C.....	70% to 79%
	F.....	<70%

**Assignment Description: Undergraduate** Assignment/Case study. In One assignment students will analyze two court cases discussing issues with natural resource lease agreements and apply legal reasoning in reaching a decision in the cases. In another assignment Students will analyze an actual lease agreement and be able to identify the important legal issues in the lease.

##### **Assignment Description: Graduate**

Assignment/Case study. In One assignment students will analyze two court cases discussing issues with natural resource lease agreements and apply legal reasoning in reaching a decision in the cases. In another assignment Students will analyze an actual lease agreement and be able to identify the important legal issues in the lease.

Industry assignment/consultation (Graduate Only) students will consult with executives at local energy companies/or with landman companies to help solve real legal problems they may face and present an analysis of the situation to the class and executives. Students will be supervised by an attorney and will not directly give legal advice

Assignment Research Project Report (For Graduate Students only):

Graduate students will conduct an exploratory research related to legal options/risk assessment and strategy used by energy companies based on the theories/models discussed in class and present their findings in a research report. An example would be: legal requirement in a Marcellus drilling program.

Attendance Policy: The Attendance policy complies with the Indiana University of Pennsylvania guidelines.

## **V. Required Textbook**

**Cases and Materials on the Law of Oil and Gas (University Casebook Series) 2011 by Richard C. Maxwell, Stephen F. Williams, Patrick H. Martin and Bruce M. Kramer  
ISBN-10: 0882779834 ISBN-13: 978-0882779836**

Continuing Legal Education Materials Produced by PA Bar Institute entitled Oil and Gas Law. Other supplements as determined by the instructor.

## **VI. Special Resource Requirements**

Classroom must be equipped with Internet access and display capabilities for the teacher. Students must have access to high speed Internet for 2 hours per week outside of class hours.

## **VII. Bibliography**

### **Books:**

Oil and Gas Law in a Nutshell, 5th Edition (Nutshell Series) [Paperback]  
John S. Lowe 2012

Energy Law in a Nutshell (In a Nutshell (West...(Paperback)  
by Joseph P. Tomain, Richard D. Cudahy 2011

**The Law and Regulation of Mining: Minerals to Energy (Law Casebook) by Barlow Burke and Robert Beck (Nov 30, 2009)**

### Academic Articles and Journals

- Abbott, Kevin C. and Snyder, Nicolle R., Recent Decisions Affecting The Development Of The Marcellus Shale In Pennsylvania, 72 U. Pitt. L. Rev. 661. (2011).
- American Institute of CPAs, Entities with oil and Gas Producing Activities, p.7-95 (2011)
- Bibikos George and Jeffrey C. King, "A Primer On Oil And Gas Law In The Marcellus Shale States", 4 Tex. Oil, Gas & Energy L. 155 (2009)
- Burnett, Robert. J., "Does Pennsylvania Recognize And Implied Covenant For Further Exploration?", 13 Lawyers J.5. (January 2011).
- Fjaer, E. (2008). "Mechanics of hydraulic fracturing". *Petroleum related rock mechanics*. Developments in petroleum science (2 ed.) . p. 369.
- Halliburton, "U.S. Shale Gas, An Unconventional Resource. Unconventional Challenges. (2008) available at [http://www.halliburton.com/public/solutions/contents/shale/related\\_docs/H063771.pdf](http://www.halliburton.com/public/solutions/contents/shale/related_docs/H063771.pdf) last visited August 2012.
- Natural Gas Weekly, Statistics, available at <http://205.254.135.7/naturalgas/weekly/> last visited July 11 2012
- Pifer, Ross H., "Drake Meets Marcellus: A Review Of Pennsylvania Case Law Upon The Sesquicentennial Of The United States Oil And Gas Industry", 6 Tex. J. Oil Gas & Energy L. 47 (2011).
- Pfifer, Ross H. What A Short, Strange Trip It's Been: Moving Forward After Five Years Of Marcellus Shale Development, 72 U. Pitt. L. Rev. 615 (2011).
- Stevens, Paul., The 'Shale Gas Revolution', Royal Institute of International Affairs London England. A Chatham House Report, Sept 2010, United States Chamber of Commerce, Institute for 21<sup>st</sup> Century Energy, <http://www.energyxxi.org/sites/default/files/NaturalGas101.pdf>, last visited on July 11<sup>th</sup>, 2012.
- Vergano, Dan., "Natural Gas Gold Rush: Is Your State Next", USA Today, June 26, 2012 Front Page.
- Walsh, Bryan., The Gas Dilemma, TIME, April 11, 2011 p 40-48.
- Wiseman, Hannah Trade Secrets, Disclosure, And Dissent In A Fracturing Energy Revolution, 111 Colum. L. Rev. Sidebar 1, (January 27, 2011)
- Yergin, Daniel., America's New Energy Reality, New York Times, June 10, 2012 p. SR9

## **B. Course Proposal Format**

### **1. Under Graduate Curriculum Authorization Form**

See Cover Page

#### **2. Course Description and Particulars**

A: Attachments

B: Bibliography

2b. Rationale: With the increasing interest, profit and employment in the Energy and Shale industry this course will benefit our students and the local economy. This course will be included as a major area elective in our undergraduate and graduate program.

#### **2c. Other Courses and Programs:**

a. This course does not overlap with any other courses or programs

b. No other department is planning to use this course as a requirement or elective

2d. Variable Credit: This course will not be offered for variable credit

2e. Teaching Plans: The course will be primarily lecture based with emphasis on projects and legal cases relevant to the industry. The course will be taught by one instructor.

2f. Special Topics. This course has not been offered as Special Topics.

#### **2g. Comparisons.**

Similar courses are offered in a number of Universities. For examples see below:

[http://vermontlaw.edu/Academics/Degrees/Master's\\_Degrees/Master\\_of\\_Energy\\_Regulation\\_and\\_Law\\_.htm?gclid=CIbshq-k7bUCFY8WMgodZzwA\\_Q](http://vermontlaw.edu/Academics/Degrees/Master's_Degrees/Master_of_Energy_Regulation_and_Law_.htm?gclid=CIbshq-k7bUCFY8WMgodZzwA_Q)

[http://energy.law.wvu.edu/wvulaw\\_energy\\_forward/2012/4/4/wvu-college-of-law-expands-energy-curriculum-to-add-6-new-courses](http://energy.law.wvu.edu/wvulaw_energy_forward/2012/4/4/wvu-college-of-law-expands-energy-curriculum-to-add-6-new-courses)

#### **2h Standards.**

No specific recommendation for mandatory inclusion of this type of a course by an accreditation authority or professional society. However, due to the increasing importance of Energy Management in the global economy, there are MBA Programs in the country which have a similar elective course.

### **3. Implementation**

#### **Resources:**

i. **Faculty:** We will be able to offer the course with our current faculty or if the need arises an attorney from this practice area as an adjunct.

ii. **Space and Equipment:** No additional Space is necessary

iii. **Laboratory:** None needed

iv. **Library:** Existing library materials will be sufficient

v. **Travel funds:** No travel funds will be requested

vi. **Miscellaneous:** There are no other resources or limitations

3b. Frequency: This course will be offered once during the academic year

3c. Enrollment:

The max expected enrollment will be 35 students

4. Catalogue Description:

This course is the second legal course in the energy/Oil and Gas sequence and will build upon and advance concepts from the first course. Specifically this course is geared toward the sophisticated legal understanding required to be employed as “landman” in the Oil and gas fields. This course will cover these topics: The Habendum clause, the drilling and rental clause, Dry hole, cessation of production, and drilling operation provisions, Delayed rental and bonus provisions, Forfeiture and related provisions, Implied covenants, Prudent Operator Standard, Implied Drilling covenants, Protection covenants, Development, marketing and reasonable care covenants, Assignments of Royalties, Royalty calculation under various state laws, drilling and Operating Agreements, Assignment of working interest, Pooling and Utilization issues and problems, Oil and Gas forms and leases, Lien subrogation rights, Environmental Impacts from Drilling standpoint and landowner standpoint. Industry Guest speakers may also address these issues.

5. Logistics

- a. Start TERM: Fall 2015
- b. A review of the Register’s web site indicates the course number is available
- c. CIP code not necessary
- d. Catalogue Term Spring 2014

6. Miscellaneous: None