

2019-20 AAPL ANNUAL REPORT



FROM THE PRESIDENTS



JAY W. BEAVERS III, CPL AAPL President, 2019-20



This has been a year that we will remember forever. It began at the board meeting in Pittsburgh last June when Melanie Bell announced her retirement and ended when we conducted our first ever virtual annual meeting.

David Cape, CPL, and his task force, recommended the hiring of Greta P. Zeimetz, DBA, CAE, as our new executive vice president. Greta has done an outstanding job for AAPL since assuming that role of EVP on Nov. 1.

Greta has assisted each AAPL employee with their job descriptions so that every staff member knows their job responsibilities. As a result, the membership, education and certification teams were restructured.

The AAPL staff participated in an employee satisfaction survey. All employees completed anti-harassment and discrimination training.

Greta and Amanda Johnson are in the process of developing an antitrust policy and a whistleblower policy and updating our conflict of interest policy.

The Strategic Planning Committee worked with the committee chairs and the staff to update all of the committees' one-, three- and five-year plans as well as updating the policy manual. The decision was made to terminate the Industry/Public Relations and Marketing committees.

The Blankenship Student Awareness Initiative Task Force was formed in October, led by former AAPL President, Pam Feist, CPL. The task force achieved all of its goals and is being dissolved. The Accreditation Committee will continue to administer the initiative.

The Education Committee was split into three distinct committees: the Education Annual Meeting/Seminar Committee; the Education Development Committee; and the RPL/CPL Education Committee.

The AAPL won MarCom Platinum Awards for its new website and rebrand.

Sixteen new ethics videos have been rolled out and are available to all local associations and AAPL members.

The inaugural AAPL/Rocky Mountain Mineral Law Foundation Advanced Landman's Institute in Houston was a huge success.

Twelve nonsubscription forms have been added to the AAPL website for the free use by AAPL members.

Russell Cohen has added a Governmental Affairs Bill Tracking and Reporting Summary in the Advocacy section of our website.

The old Job Board on our website is in the process of being replaced by a new Career Center.

Previous issues of the *Landman* magazine from the 2013-2014 Winter issue to the present are now available on our website.

The first issue of *NAPE — The Magazine for Dealmakers* won a MarCom Gold Award.

NAPE Summit was a great success in February 2020, with more than 11,000 attendees taking part in Houston before the pandemic hit.

The University of Texas at Austin won the First Annual NAPE/TCU MBA Energy Innovation Case Competition.

The NAPE Business Conference continues to break attendance records.

NAPE Charities donated over \$300,000 to four charities to support our veterans.

The NAPE Operators Committee and the NAPE staff have been working hard to introduce the industry with our new NAPE Network.

Peggy Kerr Worthington served on the AAPL Executive committee several years ago. Peggy saw obstacles as lessons and ways to improve. We had plenty of obstacles this year, so hopefully the AAPL has improved this year and will be even better as we go forward.

Thank you for allowing me to serve as your president. It has been a very rewarding experience. I am looking forward to serving in the capacity of immediate past president next year. This past year's Executive Committee will be missed, but I am excited about working with Lester Zitkus and our new Executive Committee.

LESTER A. ZITKUS, CPL AAPL President, 2020-21



Fiscal year 2020-2021 will be a year of unique and somewhat unknown challenges, but we do know that AAPL has a sound foundation to deal with whatever may come as a result of this economic/industry downturn and the pandemic. We, as an association, have already had to adjust how we go about providing the myriad of member services our members have come to expect. We will continue to be innovative in the way we deliver services and address the needs of our members. We plan on focusing the efforts of our staff and our committees on developing new educational material that can help our members adjust to the changing work environment of our profession. Expect to see new programming in the use of technology and



land skills needed to work in other energy-related industries, and we will continue to build on our core oil, gas and mineral educational programming. AAPL will be rolling out a new career center on its website during the upcoming fiscal year, which will provide better access to relevant employment opportunities as well as career-related information. We will also spend time ensuring that our association is aligned with the core values of diversity and inclusion. AAPL needs to make sure it is an association that represents all members, regardless of race, color or gender. Expect to see a number of formalized

efforts around making sure AAPL is aligned with the industries it serves. Additionally, stepped up efforts on outreach to our incoming graduates from AAPL accredited programs as well as to those considering entering one of these programs will be high on the list of focus areas this year. AAPL is in a unique position to take advantage of opportunities that present themselves during times of adversity, all for the benefit of its members. Adversity breeds innovation and you will see plenty of that from AAPL in the coming year. Thank you for providing me the opportunity to serve as your president. ▲

FINANCIAL POSITION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Excerpted from AAPL Audit Report FYE June 30, 2019

	Year Ended June 30, 2019
ASSETS	
Cash and Cash Equivalents	\$7,879,732
AR, Prepaid and Other Assets	961,947
Property and Equipment, Net	5,033,353
Long-Term Investments	42,070,684
TOTAL ASSETS	\$55,945,716
LIABILITIES AND NET ASSETS	
LIABILITIES	
Accounts Payable	\$1,211,818
Accrued Expenses	220,488
Unearned Revenue	1,902,791
Unearned NAPE Fees	2,147,843
TOTAL LIABILITIES	\$5,482,940
NET ASSETS	
Without Donor Restrictions	
Undesignated	\$49,308,886
Designated	108,890
	<u>49,417,776</u>
With Donor Restrictions	
Time-Restricted For Future Periods	\$1,000,000
Perpetual In Nature	45,000
	<u>1,045,000</u>
TOTAL NET ASSETS	\$50,462,776
TOTAL LIABILITIES AND NET ASSETS	\$55,945,716



CONSOLIDATED STATEMENT OF ACTIVITIES

Excerpted from AAPL Audit Report FYE June 30, 2019

Year Ended
June 30, 2019

REVENUES AND OTHER SUPPORT WITHOUT DONOR RESTRICTIONS

Membership Dues	\$1,798,903
NAPE Expo	10,820,710
Certification Fees and Dues	144,150
Educational Seminar Fees	784,352
AAPL Annual Meeting	698,607
Advertising	250,227
Contributions	279,424
Royalty Income	110,899
Investment Income	573,569
Other	6,928
Gain (Loss) on Sale of Assets	(33,407)
Realized and Unrealized Gain (Loss) on Investments	2,534,593

TOTAL REVENUES AND OTHER SUPPORT WITHOUT DONOR RESTRICTIONS \$17,968,955

PROGRAM AND SUPPORT SERVICES

Salaries and Benefits	\$3,654,538
Advertising	256,563
Amortization	35,963
Bank Fees	482,959
Depreciation	227,598
Distributions	58,948
Grants and Other Assistance	639,014
Insurance	99,311
Lobbying	4,775
Meals and Entertainment	448,783
Meetings and Conferences	2,396,815
Miscellaneous	21,221
Professional Services	1,188,848
Property Taxes	82,257
Publications	352,460
Repairs and Maintenance	136,985
Software and Technology	356,073
Supplies and Other	686,083
Taxes	68,005
Training and Development	36,603
Travel	405,958
Utilities	100,208

TOTAL PROGRAM AND SUPPORT SERVICES \$11,739,968

REVENUE WITH DONOR RESTRICTIONS

Contributions	\$ 1,000,000
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TOTAL REVENUE WITH DONOR RESTRICTIONS \$1,000,000

Change in Net Assets	\$7,228,987
Net Assets at Beginning of Year	46,122,246
Partnership Distributions	(2,888,457)

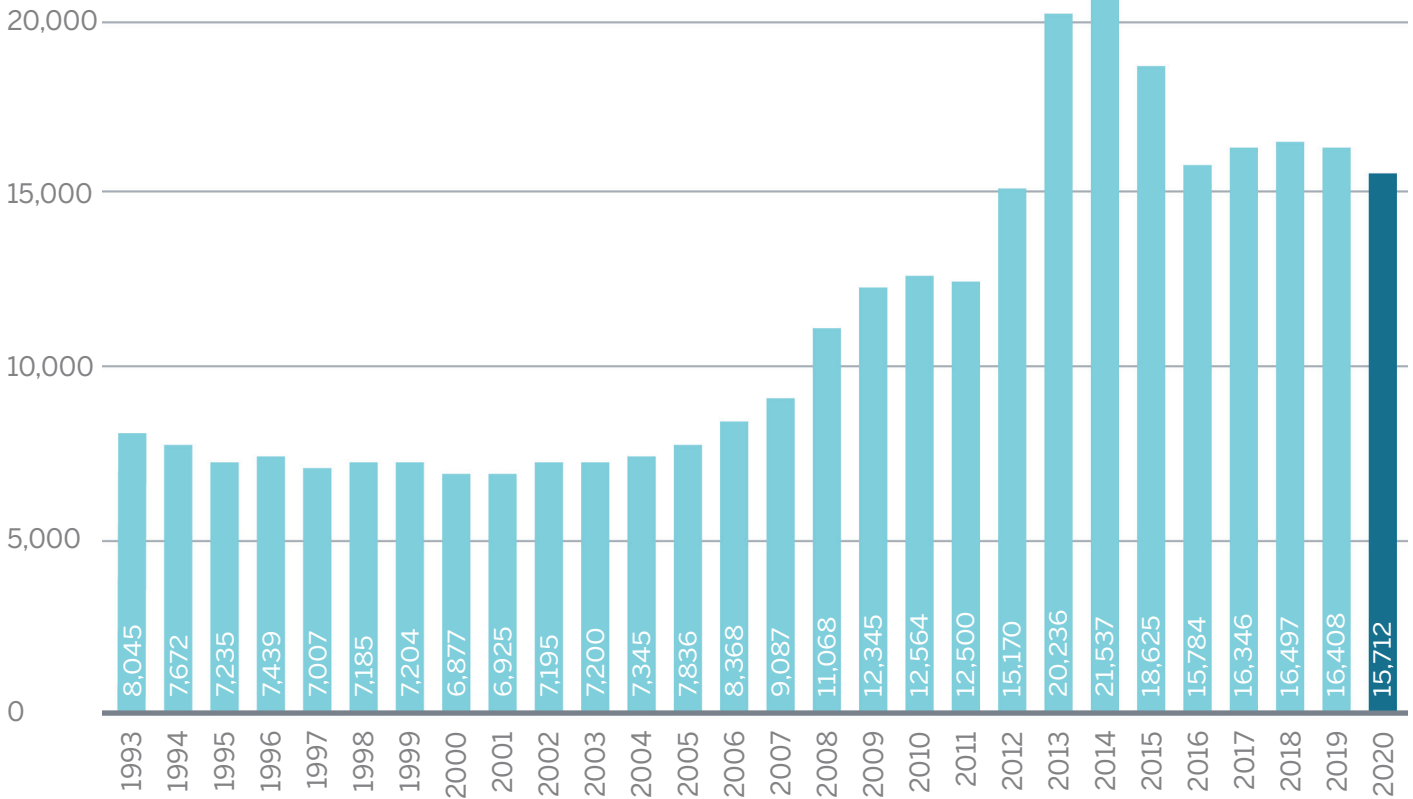
NET ASSETS AT END OF YEAR \$50,462,776



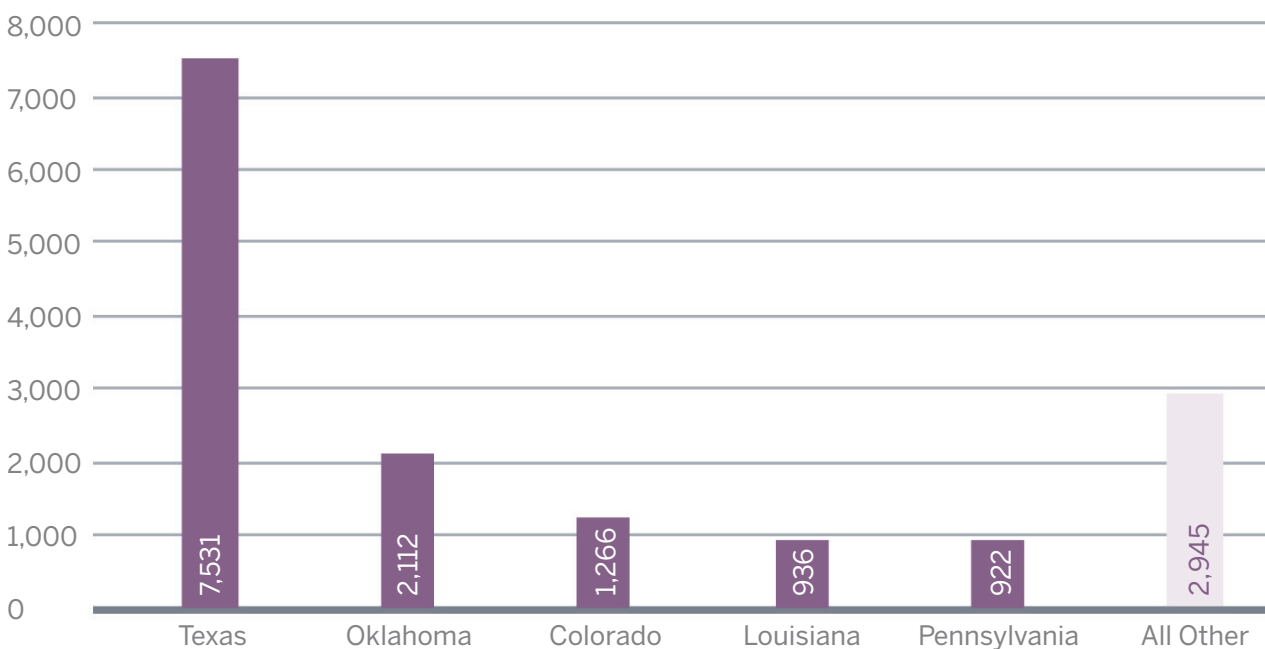
MEMBERSHIP REPORT

MEMBERSHIP BY YEAR

since 1993



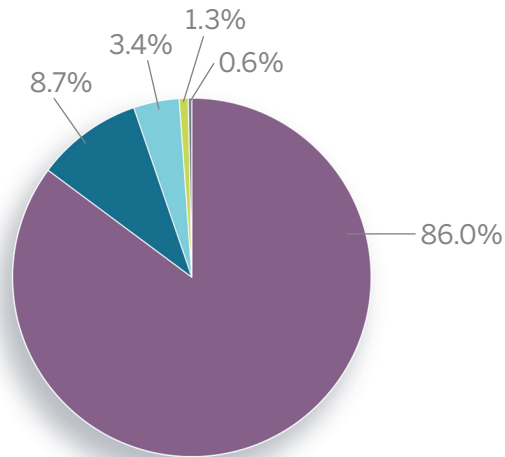
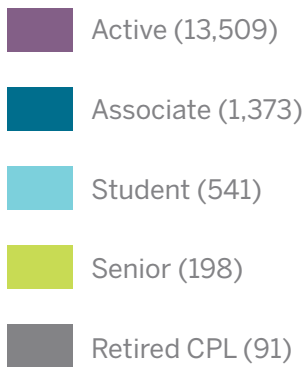
MEMBERSHIP BY GEOGRAPHY*



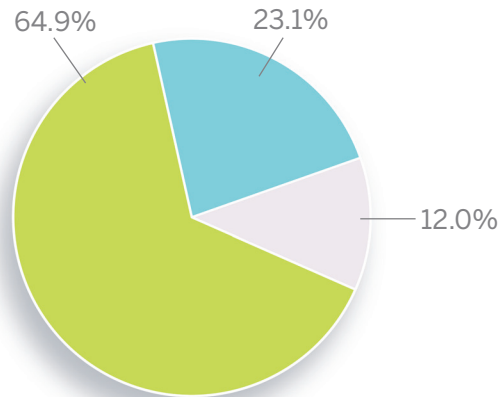
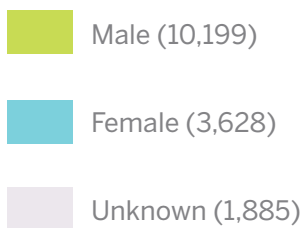
*based on fiscal year 2019-20 membership totals



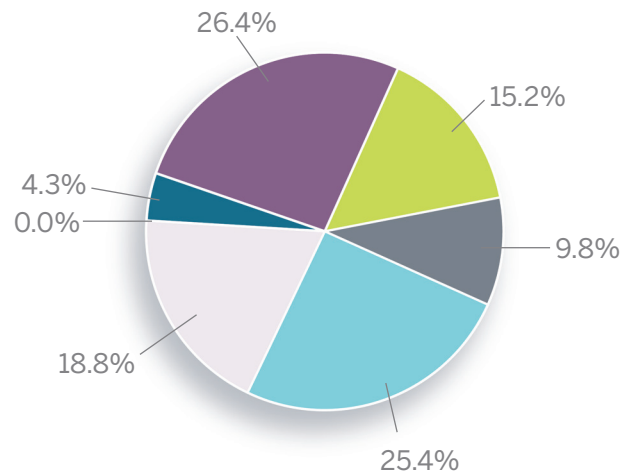
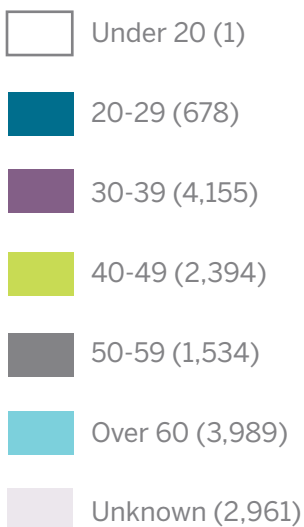
MEMBERSHIP BY TYPE*



MEMBERSHIP BY GENDER*



MEMBERSHIP BY AGE GROUP*

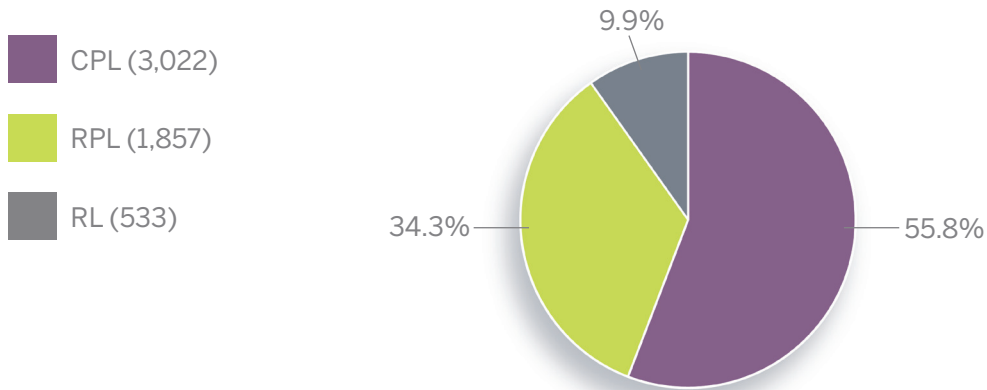


*based on fiscal year 2019-20 membership totals

CERTIFICATION REPORT

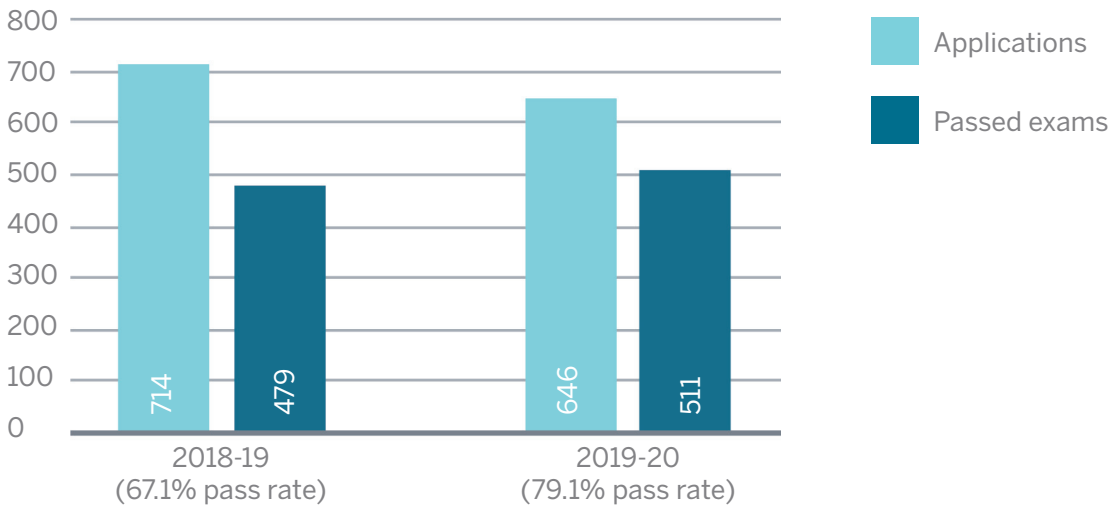


CERTIFICATION BY TYPE

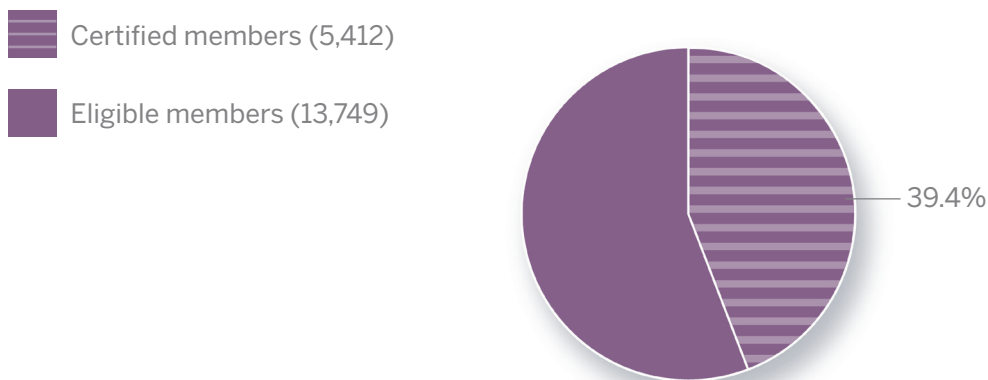


► In the spring of 2020, RL exams were converted to electronic format to quicken turnaround time for applicants.

APPLICATIONS VS. PASSING THE EXAM



ELIGIBLE MEMBERS VS. CERTIFIED MEMBERS



EDUCATION REPORT



TOTAL SEMINARS



UNIQUE SEMINARS



TOTAL WEBINARS



UNIQUE WEBINARS



ON-DEMAND WEBINARS



GOVERNMENT AFFAIRS REPORT

LEGISLATIVE, REGULATORY AND JUDICIAL ACTIVITIES

- ▶ Coordinated advocacy efforts with AAPL local associations and industry stakeholders to stop landman registration bills in Pennsylvania.
- ▶ Actively supported Kansas legislation that would protect independent contractor status and an independent landman's right to work.
- ▶ Facilitated AAPL letter-writing advocacy campaign for a favorable outcome in Texas Railroad Commission regulations for the assignment of acreage to pooled development and proration units.
- ▶ Reviewed multiple amicus brief requests and submitted coordinated briefs with the Texas Independent Producers & Royalty Owners Association in a Texas Supreme Court accommodation doctrine case.
- ▶ Published weekly governmental affairs reports and bill tracking summaries exclusively for members on monitored legislative, regulatory and judicial matters.
- ▶ Provided members with critical COVID-19 governmental affairs resources and related emergency orders in AAPLConnect member forums and Landnews. ▲

LEADERSHIP



EXECUTIVE COMMITTEE

President: Jay W. Beavers III, CPL
First Vice President: Lester A. Zitkus, CPL
Second Vice President: Wendy G. Dalton, CPL
Third Vice President: Sean W. Marshall, CPL
Treasurer: Jason T. Maloy, CPL
Secretary: Britney Crookshanks, CPL
Immediate Past President: Michel E. Curry, CPL

LOCAL ASSOCIATION DIRECTORS

Alaska: Jason Lyons, RPL
Ark-La-Tex: Paul Wood, CPL
Austin: Doak Worley IV
Bakersfield: Christin L. Faber, RPL
Baton Rouge: Ric Bajon, RPL
Canadian: Larry Buzan and Noel Millions
Corpus Christi: Clay Warren, CPL
Dallas: Matt McCauley, CPL
Denver: Caroline Hansen, RPL
East Texas: Kevin Halbert, CPL
Fort Smith: Dustin E. Hamlett, RPL
Fort Worth: Rodney L. Black, CPL
Houston: Alan H. Morgan, CPL
Lafayette: Richard A. Hines, CPL
Los Angeles: Randall Taylor, RPL
Michael Late Benedum: Christa Dotson, RPL
Michigan: Steven N. Rapanos, CPL
Mississippi: Andrew F. Ueltschey, CPL
Montana: John R. Lee, RPL
Nevada: Ryan C. Bensing, RPL
New Mexico: William "Bill" Hackett, CPL
New Orleans: Ryan G. Schneider
North Dakota: Michael A. Dewald, RPL
North Houston: Jason Sebastinas, RPL
North Texas: Terry P. Caves, CPL
Northern Appalachian: Randy Littlecott, CPL
Oklahoma City: Robert Rice, CPL
Southern Oklahoma: Lars Noble, CPL
Panhandle: Bruce E. Payne, CPL
Permian Basin: Jason South, CPL
Rocky Mountain: Ryan C. Bensing, RPL
San Antonio: Clark Hood, CPL
San Juan Basin: Cranford D. Newell Jr., CPL
Southern Appalachian: Dan Kostrub
Tri-State: Jess A. Rowe, CPL
Tulsa: Adam W. Robinson, CPL
Utah: Justin C. Rammell
Virginia: John C. Krogmann Jr., CPL

West Houston: Timothy L. McGhee, CPL
Wichita: Will G. Boone, CPL
Wyoming: Lindsey Stinson

COMMITTEE CHAIRS

Accreditation: Nancy McCaskell, CPL
Advisory Landman Connection: Clarke C. Richards, CPL
Annual Meeting: Jason M. Downs, RPL
Annual Meeting Education: Joseph D. Munsey, RPL
Awards: BoBo Clarke, CPL
ByLaws & Policy Manual Review: Jacob S. Lenington
Certification: Marc S. Tate, CPL
Council of Past Presidents: Roger A. Soape, CPL
Education Development: Jerris E. Johnson, CPL
Ethics: Joel Loshak
Field Landman: C. Andrew Cooper, CPL
Finance: Lester A. Zitkus, CPL
Forms: Douglas B. Schmidt, RPL
Industry/Public Relations: Iris L. Bradley, CPL/ESA
Legislative/Regulatory: David L. Cherry, RPL
Marketing: Kyle Reynolds, CPL
Membership: Brandon S. Renner
NAPE Advisory Board: Carl D. Campbell, CPL
NAPE Operators Committee: John Lodge
NAPE Management, LLC: Jay W. Beavers III, CPL
Nominating Subcommittee: David W. Miller, CPL
Public Lands & Access: William E. Hackett, CPL
Publications: Travis W. Beavers, CPL
RPL/CPL Education: Sara A. Worsham, CPL
Strategic Planning: Lester A. Zitkus, CPL
Tax Issues: Thomas Simon, CPL
Technology: Jordan McGee, CPL

AFFILIATED ENTITIES CHAIRS

AAPL Educational Foundation, Inc.: Sean W. Marshall, CPL
Investment Advisory: Lester A. Zitkus, CPL
Landman Scholarship Trust: Wendy G. Dalton, CPL

TASK FORCE CHAIRS

Professional Paper Task Force: Bill Justice, CPL

INDUSTRY REPRESENTATIVES

Energy & Mineral Law Foundation: Cindy D. Perdue, CPL
Geocare Insurance: Jane R. Crouch, CPL
International Oil Scouts: Pam K. Florek
LSU Mineral Law Foundation: Harold J. Anderson, CPL/ESA
Outer Continental Shelf: Chad Elias
RMML Foundation: Michelle Aurzada
Southwest Land Institute: Brooks Yates, CPL