

AAPL Board of Directors' Meeting
Park City, Utah
September 13, 2015

OPENING

The meeting began with a call to order by Marc Strahn, President and an invocation by Roger Soape, Past President. Roll was called, the agenda was adopted and minutes of the June 17, 2015 meeting were approved without changes.

Twelve new directors were seated with one substitute director seated.

STAFF REPORT

Melanie Bell, AAPL EVP, gave the Staff Report which AAPL staff headcount is currently 30 with 4 vacancies to be filled. Melanie informed the board that the conversion to Personify System has been fully implemented. For those unfamiliar you will see improvements to the AAPL website such as online certification applications. AAPL has hired a dedicated Database Administrator to manage the new personify system.

New address for the AAPL is 800 Fournier, Fort Worth, Texas 76102.

The Fossil Creek location sale has been ongoing for approximately 6 months. The initial offer did not materialize but currently there is a non-binding letter of intent signed for the sale of the building and land at a total cost of \$1.3M

Annual audits of AAPL financial records are ongoing but look to conclude by the end of September. Melanie reported that Summer Nape gross registrations were down by 1,000 and booths had also seen a decrease by 20.

TREASURER'S REPORT

Jay Beavers gave the Treasurer's report for the period ending June 30, 2015. The AAPL balance sheet reflects a decrease in value of total assets of 1.6% over the previous year.

Net revenue, exclusive of investment revenue, decreased 7.31%, largely due to decreased revenue from NAPE distributions and management fees.

Expenses have decreased 26.6% over the previous year, largely in part to the \$4,100,000 contribution from AAPL to the Landman Scholarship trust in the 2013-2014 fiscal year. Expenses that increased included occupancy and moving expenses, software licenses, contract labor, interest, computer/internet and legal expenses

Investment accounts are down .6% from last year. The decrease has been the result of realized and unrealized gains and losses.

PRESIDENTS REPORT

Marc Strahn gave the President's report, telling the board about his travels and ideas for the future. He also informed the board of the outstanding legal matters facing AAPL. In that regard, Marc cautioned

the board that anyone discussing the cases can be summoned and to proceed accordingly. As a result, I feel it is best to let the courts decide and will report on such findings when/if final verdict is delivered.

COMMITTEE/DIRECTOR REPORTS

Chairmen or representatives of committees who were present gave reports to the Board. Below are bullet points summarizing pertinent discussions at the meeting (in no particular order):

- **Accreditation Task Force** – This group is currently reviewing an application from Marietta College in Marietta Ohio. Looking to have a recommendation for Executive Committee in December.
- **Certification** – Long term goal is to propose that applicants go through a certification stair step structure whereby they must first become an RL for at least 1 yr prior to being eligible for RPL and must then be an RPL for at least 1 yr prior to becoming CPL. Goal is this will strengthen the designations and further AAPL's position against federal or state licensing of landmen.
 - Total CPLs – 2206
 - Total RPLs – 1839
 - Total RIs – 574
 - Total of 4,619 members or 28.6% of the membership has designation.
- **Education** – task force formed to create new video for Ethics 360 program. The goal is to begin scripting about 15 new scenarios by Dec. Also, committee recently piloted the new Surface Use and Access course with positive and constructive feedback from attendees. Adjustments will be made and the course will be rolled out in the Education Offerings Schedule.
- **Field Landman Committee** – Eight seminars are scheduled for this year. As in years past, forecasting that the 10% no-show percentage will be balanced by the same percentage of non-registered attendees.
- **Finance** –
 - AAPL outstanding balance of \$1M on the new building. Committee recommended paying remaining balance of the loan by May 2016.
 - Approximately \$1.3M sales price for Fossil Creek location.
 - AAPL Operating Cash Custody: \$28,146,149
 - AAPL Education Foundation Rev Trust: \$2,486,149
 - Landman Scholarship Trust: \$6,239,302
- **Forms** – 2015 Form 610 JOA revision was adopted and unanimously passed. Final workable version should be released by early 2016
- **Marketing** – Todd Liebl proposed expanding the AAPL toolkit to include data and infographics regarding latest industry developments. Additionally, the committee proposed the board adopt an evergreen member video to be presented at Education seminars. Also proposed was a design for mobile phone application of the AAPL Member Directory in addition to optimizing the website with a job forum. Board voted and proposal unanimously passed.
- **Membership** – committee is reviewing and revising the membership database. Currently 16,150 active members
 - We are seeing an increase in renewals that list no local association affiliation. Looking to local associations to help recruit these individuals
 - Reviewing 40+ applications each week.
- **NAPE Operators** – NAPE Houston was as forecasted with 4,400 attendees and over 3 million acres available. The new format for NAPE was well received by the attendees and exhibitors. Theatre was a highlight for all showcasing more than a half dozen prosepects.

- **Publications** – Looking for a greater involvement of articles submitted for publication in addition to more photos from “Landmen in Action”. I would encourage NHAPL to participate in such submittals.
- **Tax Issues** – currently evaluating New Mexico’s Gross Receipts Tax on landman services. Assisting Appalachian and New Mexico Associations tax status. Preparing for proposal regarding the Department of Labor and IRS’s misclassification of workers.
- **Technology Committee** – complete current system upgrades and move forward with technology plan to bring LandNews into AAPL website for use by members. Review with EXCom and staff a Contract Management System compatible with Personify for use by all senior staff personnel.

Respectfully submitted,



Joe Edgar, CPL

AAPL Regional Director - NHAPL

September 30, 2015

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