



**Colorado State Board of Land
Commissions Office**
1127 Sherman Street, Suite 300
Denver, CO

**WSLCA Subsurface Committee
Royalty Working Group Conference**

April 20-22, 2015

Sponsored by: 

The HEIN logo consists of three curved, overlapping lines in shades of blue and green above the word 'HEIN' in a bold, blue, sans-serif font.

Agenda

Wednesday, April 20

6:00 – 8:00 pm **Informal Social at Katie Mullen’s**
(next to the Sheraton Denver Downtown Hotel)

Thursday, April 21

8:00 – 8:30 am **Conference Check-in** at CO State Land Office
1127 Sherman Street, Suite 300

8:30 - 8:45 am **Introductions & Objectives**
Mr. Bill Ryan, Director – CO State Land Board

8:45 - 9:15 am **Benefits of Online Lease Auctions**
Mr. John Munroe, Vice-President of
Engineering/Government Lease Sales,
EnergyNet

9:15 – 9:30 am **Mineral Lease Research Request**
Mr. Drew Combs, Director of Minerals
North Dakota Department of Trust Lands

9:30 – 10:30 am **State Reports; Current Issues & Updates**
Moderated by Mr. Dale Sump, Director of
Minerals Audit, Texas GLO

10:30 - 10:45 am Break – Sponsored by 

10:45 – noon **Oil & Gas Market and Analysis**
Ms. Bernadette Johnson, Ponderosa Resources,
LLC

12:00 - 1:30 **Lunch provided**
Regulatory & Legislative Issues in Colorado
Ms. Julie Murphy, Hearings & Regulatory Affairs
Manager, Colorado Oil & Gas Conservation
Commission

Agenda

Breakout Group – Royalty Auditing

- 1:30 - 2:30 pm **Auditing Through the System**
Mr. Jeremy King, Director – Cloud Solutions
Hein
- 2:30 - 3:30 pm **Oil & Gas Auditing Topics – Open Discussion**
Moderated by Mr. Dale Sump, Director of
Minerals Audit, Texas GLO
- 3:30 - 3:45 pm Break Sponsored by:  **Opportune**
GET MORE DONE IN LESS TIME
- 3:45 - 5:00 **Standardized Royalty Data Sets & Discussion
with Industry**
Mr. Taylor Lee, Director of Revenue Compliance
North Dakota Department of Trust Lands

Breakout Group – Mineral Management

- 1:30 - 2:30 pm **Resource Extraction Bonding**
Ms. Alicia Hawthorne, Transaction & Records
Services Manager, Colorado State Land Office
- 2:30 - 3:30 pm **GIS/Map Server Tools for Mineral
Management**
Mr. Bill Martin, Real Estate & GIS Planner,
Colorado State Land Office
- 3:30 - 3:45 pm Break Sponsored by:  **Opportune**
GET MORE DONE IN LESS TIME
- 3:45 - 5:00 **Rare Earth Minerals**
Mr. Vince Matthews, Leadville Geology, LLC
(former Colorado state geologist)
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- 5:30 pm **WSLCA – Industry Mixer at Katie Mullen’s**
(next to the Sheraton Denver Downtown Hotel)
Sponsored by the Colorado State Land Board

Agenda

Friday, April 21

8:30 - 9:30 am

New Mexico Royalty Systems Survey: a discussion on state systems

Mr. Rich Preston, Assistant Commissioner of Public Lands for the State of New Mexico overseeing Information Technology and Records Management

9:30 – 10:30 am

2016 Colorado Oil & Gas Lease Modifications

Mr. Pete Milonas, Minerals Director, Colorado State Land Office

10:30 – 10:45 am

Break

10:45 - 11:45

Legal Issues Update

Ms. Ginny Sciabarrasi, Assistant Attorney General for the State Trust Lands Unit, Colorado Attorney General's Office

11:45 – noon

Closing Remarks

Guest Speakers

Mr. Bill Ryan

Bill has been the Director of the Colorado State Land Board since 2011, serving as chief executive officer of this \$4 billion land trust. Prior to this Bill's professional background was in commercial real estate development and finance. He spent ten years with Trammell Crow Company, a national commercial real estate and development firm, where as a Principal he developed and acquired projects, including mixed use, TOD, office, industrial, retail and land projects with a combined value in excess of \$160 million. Two of his projects were recognized with national awards from corporate leadership. He also spent more than 12 years with the commercial real estate divisions of several national banks, providing more than \$300 million of commercial development financing.



Community involvement is also an important focus for Bill. He is a past Trustee and Board Chair of The Denver Foundation, Colorado's largest community foundation, with more than \$740 million in assets. Bill also combines his interests in real estate and local community as a Board member of the Urban Land Conservancy, which acquires, develops and preserves real estate assets in urban areas to meet community needs including affordable housing and non-profit workspace. Bill was also a founding partner and Board Chair of Social Venture Partners Denver, a venture philanthropy partnership that invests time, money and expertise in collaborative relationships with non-profits.

A native of Philadelphia, Bill has called Colorado home since 1992. He is a graduate of Emory University, and lives in central Denver with his wife Tamra and two young children.



Mr. John Munroe

John Munroe is Vice President of Engineering / Government Lease Sales for EnergyNet. John is instrumental in EnergyNet's Corporate Strategic Planning. John also works with the EnergyNet Business Development Team providing A&D and Engineering support, with a focus on developing the internet data rooms for the high value Negotiated Sale properties.

He also manages Federal and State online lease auctions and sealed bid sales.

John has had a successful 35-year career with Chevron. This included over 10 years in Acquisition and Divestment for onshore and offshore properties, business planning on the headquarters staff for Chevron North America and for Chevron Technology Company, facilitated and instructed teams on the application of project management techniques, held positions as a reservoir, and production engineer supervisor, and operations superintendent. These positions required John to work in west Texas, northern and southern California, Louisiana, and Houston, Texas, with travel to Indonesia, Calgary, London and Aberdeen.

John graduated from the University of Oklahoma with a Bachelor of Science Degree in Mechanical Engineering.

Mr. Drew Combs

Drew Combs is currently a candidate for a Masters in Energy Business and has a Bachelor of Science degree in both Political Science and History. He has worked worldwide within the oil and gas industry in various capacities, primarily as a land representative, often in extreme work environments (climate, conflicts, and political unrest).



He is the current Director of Minerals Management for the North Dakota Department of Trust Lands. He currently lives in Bismarck with his wife, son, daughter, two cats, and dog. Veteran of the United States Marine Corps.

Mr. Dale Sump

Dale Sump currently serves the Texas GLO as the Director of Minerals Audit where he leads a team of accounting and auditing professionals who perform royalty compliance audits and reviews on the state’s interests in oil and gas produced in Texas. In this role, he ensures processes and procedures are designed to provide accurate and timely results and verification of compliance with lease agreements in order to maximize revenues into the Permanent School Fund. He also is an advisor for the Royalty Reporting and Control System (RRAC) 2.0 application designed to enhance processes and procedures for electronic royalty reporting.



Dale came to the GLO after a 25-year career at The University of Texas System Administration, where he last served as the Director of Compliance and Compliance Officer. He also has nearly two decades of oil and gas royalty experience with the University’s Lands Accounting Office. He also assisted with the design and development of the University’s first web-based Electronic Reporting application, as well as, provided customer service support for on-line filing of production and royalty reports.

Dale graduated from The University of Texas at Austin, majoring in accounting. He is a Certified Public Accountant and is a member of the Texas Society of Certified Public Accountants and the Petroleum Accountant’s Society of San Antonio.



Ms. Bernadette Johnson

Ms. Johnson leads Ponderosa’s energy business, including all related consulting engagements and research efforts. Over her 9-year career in the energy industry, she has gained extensive experience providing crude, natural gas, and NGL fundamentals analysis and advisory services to various

players in the North American and Global energy markets. Her specific market involvement spans: financial trading, production forecasts, infrastructure analysis, midstream analysis, storage value analysis, and price forecasts.

Prior to joining Ponderosa, Ms. Johnson was Senior Research Analyst for Sasco Energy Partners in Westport, CT. In this role, she provided analytics and research support for a team of financial traders active in natural gas, power and oil futures markets. Ms. Johnson began her career with BENTEK Energy, LLC as a Senior Energy Analyst, Natural Gas Market Fundamentals and consulting project team lead.

Ms. Johnson holds a MS Degree in International Political Economy of Resources from the Colorado School of Mines, and a BS Degree in Economics, also from the Colorado School of Mines.

Ms. Julie Murphy

Julie is the Hearings and Regulatory Affairs Manager at the Colorado Oil and Gas Conservation Commission. She works closely with the Director and management team to develop the policies guiding the agency and oversees enforcement, spacing, pooling, rulemaking, and other adjudicatory hearings before the Commission, including supervising



COGCC’s team of lawyers and hearing officers. Prior to joining the Commission, she served as an Assistant Attorney General representing three state agencies and worked as an environmental and natural resources lawyer in private practice. Her passion for natural resource law and policy stems from exploring Colorado’s outdoors while growing up in Denver.



Mr. Jeremy King

Jeremy King is the Director of Cloud Solutions for Hein as part of Business Advisory Services located in the firm's Denver office. His broad finance background and hands-on experience as a CFO and COO give him a unique perspective and insight to predict problems from the client's point of view and provide optimized solutions. Jeremy supports clients in the

areas of NetSuite, Adaptive Planning, Box and TribeHR implementations and optimization. His focus is in the energy, manufacturing, distribution, service and technology industries.

Prior to joining Hein, Jeremy was the CFO of a publicly traded software company, the CFO/COO of a privately held e-commerce company and the Vice President, Finance for a large financial services firm. Additionally, Jeremy spent the early part of his career in investment banking and corporate development where he raised over \$1 billion in capital and completed over 70 M&A transactions with a total transaction value of over \$920 million.

Jeremy is an accomplished author and speaker whose articles on cloud computing have been published in numerous publications including the Denver Business Journal and Accounting Today. Jeremy received his bachelor's degree in economics from the University of California, Los Angeles.

Ms. Alicia Hawthorne

Alicia is the Transactions & Records Services Manager for the Colorado State Land Office. She holds a Master of Science in Organization Leadership, Project Management from Regis University.



The Transactions & Records Services (TRS) team is responsible for creating improved

efficiencies and management of contract procedures through the implementation of LEAN process improvement principles. This team has focused on applying standardized approaches to provide consistent, useful, and efficient practices for contract transactions and records management. Addressing the bonding requirements for all business lines was one of the most recent initiatives evaluated and updated by TRS. New bonding requirements for Oil & Gas leasing activities were adopted by the Board in early 2016, in addition to a complementary Risk Management of Leasing Activities Policy that was adopted by the Board in 2015.



Mr. Taylor Lee

Taylor is currently the Director of Revenue Compliance for the North Dakota Department of Trust Lands. His responsibilities include ensuring royalties and rentals are appropriately accounted, audit of royalty sources, and collaborating with Management and the Mineral’s Division on policy and procedures and lease analysis. Taylor’s current major projects include working with

the Minerals Division with several issues regarding the State’s ownership of sovereign minerals within the Missouri River ordinary high water mark, major advancements in the divisions oil and gas auditing program, and improving the collection of oil and gas data. Taylor is also the Chairman of the WSLCA Royalty Working Group.

Prior to his current position, he was employed with the North Dakota Department of Financial Institutions conducting safety and soundness examinations on Financial Institutions. He also worked for New York Life assisting individuals with financial planning. He is a US Air Force Veteran.

Taylor holds a Bachelors in Finance and a Masters in Applied Economics both from the University of North Dakota. He is also a Certified Internal Auditor and Certified Financial Services Auditor. Taylor resides in Bismarck, North Dakota with his wife, Kirsten, English springer spaniel, Lucy, and their new addition- Sam, an 8 month old Vizsla.

Mr. Bill Martin

Bill is in charge of the GIS program for the Colorado State Land Board. He oversees a centralized data repository that contains land ownership data, leasing information, rights-of-way and other spatial data pertaining to state trust lands. Bill is also in charge of the on-line map server and other applications that serve the needs of staff and public at large. Key projects include mapping and analysis for oil and gas auctions, property valuation assessments, stewardship obligations and cataloging improvements and other leasing activities on state trust lands.



Dr. Vince Matthews



Dr. Vince Matthews is Principal of Leadville Geology LLC, and recently was Interim Executive Director of the National Mining Hall of Fame and Museum. He retired as State Geologist and Director of the Colorado Geological Survey at the beginning of 2013.

Vince received Bachelors and Masters degrees in Geology from the University of Georgia and a Ph. D. from the University of California, Santa Cruz and holds Outstanding Alumnus Awards from both institutions. He held tenured positions at two universities and has taught geology at the University of California, University of Northern Colorado, Arizona State University, the Frank Lloyd Wright School of Architecture, and the University of Texas of the Permian Basin.

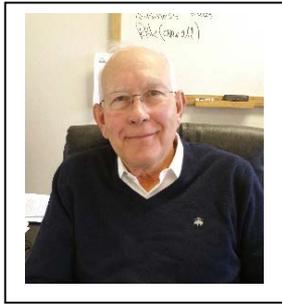
As an executive in the natural resources industry for Amoco, Lear, Union Pacific, and Penn Virginia, Matthews explored for oil & gas in virtually every basin in the U.S., including Alaska and the Gulf of Mexico. Part of his experience in the natural resources industry included responsibility for coal, lime, and limestone activities in New Jersey, Virginia, and Tennessee. He is the author of more than 70 technical articles and abstracts and was senior editor of the multiple, award-winning publication, Messages in

Stone: Colorado's Colorful Geology and the map, A Tourist Guide to Colorado Geology. Matthews is a Senior Fellow in the Geological Society of America where he served as General Chair of the 125th Anniversary Meeting in 2013. He is the 2014 recipient of the Pioneer Award from the American Association of Petroleum Geologists.

Vince serves on the Board of Directors of the National Mining Hall of Fame and Museum, the Geology Advisory Committee at Colorado State University, and the Advisory Committee for the J. P. Morgan Center for Commodities of the University of Colorado-Denver's Business School.

Mr. Rich Preston

Rich Preston has come out of retirement to currently serve as an Assistant Commissioner of Public Lands for the State of New Mexico. His current duties involve the replacement of New Mexico's computer system and database for the collection of royalties and severance taxes, ONGARD. He previously was in charge of the Information Technology and Records Management Divisions of the State Land Office.



Dr. Preston had retired from a more than 30-year career in national security. He has worked on most of the major national security issues relating to nuclear weapons during the span of his career. He worked in support of decision makers at the highest levels of government to assist in the assessment of technologies in the field, the development of proper programmatic direction and provide support for associated policies for the United States Government.

Dr. Preston has a Ph.D. from the University of Texas in Austin and a B.A. from Louisiana State University both degrees in the area of mathematics. He has served as an adjunct professor at the University of New Mexico in the mathematics and mechanical engineering departments. He has also given lectures to UNM's Institute of Public Policy.



Mr. Pete Milonas

Pete Milonas is the Minerals Director for the Colorado State Land Board. He is the manager over all sub-surface leasing activity on state trust lands. He has been with the Colorado State Land Board for 22 years. Prior to this he worked for two private sector oil and gas companies and a gold

mining company. He has over thirty years of experience working in the oil & gas and mining industries and has held positions in tax, acquisitions, revenue accounting, contact and lease administration, and internal, financial, revenue and joint interest auditing. He has a B.S. degree in Business Administration from the University of Northern Colorado.

Ms. Ginny Sciabbarrasi

Ginny Sciabbarrasi is an Assistant Attorney General in the Trust Lands Unit, representing the Colorado State Board of Land Commissioners, a position she has held since 2012. Ms. Sciabbarrasi represents the Land Board in district and water courts across the State on the various legal issues that arise for the second largest landowner in Colorado



with 2.8 million surface acres and 4 million acres of mineral interests. She also provides general legal guidance to the Land Board's Commissioners, management and staff. Ms. Sciabbarrasi received her JD from the Catholic University of America in Washington, D.C. in 2007, and worked in private practice for several years before joining the Attorney General's office.

Thank you for attending!



“A nationally recognized voice for prudent land management”

OUR MISSION...

To create value for our beneficiaries through leadership, education and sound land management.

OUR HISTORY...

The Western States Land Commissioners Association (WSLCA) was created in 1949 as a forum for western land managers to learn from each other and educate the public about our broad administrative responsibilities.

Today, our members and affiliates include states, industry leaders and conservation organizations who manage over 400 million acres of surface & subsurface ownership, rivers & coastal waterways. Sound land management stimulates the economy with expenditures and jobs and results in financial resources that total hundreds of billions of dollars for shareholders & beneficiaries such as public schools, educational systems and mental health institutions.

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