

# SADLER *Law Firm* LLP

## TITLE OPINIONS

Sadler Law Firm's title examination team includes a strong core group of experienced energy attorneys who understand the energy business and have a wealth of experience in the examination of title and the preparation of title opinions for drilling, division orders, financing transactions and acquisitions.



We have conducted title examinations and prepared title opinions covering lands and oil and gas properties in more than 120 Texas counties, as well as in California, Kansas, Louisiana, North Dakota, Oklahoma, Pennsylvania, West Virginia, on offshore state and federal leases, and on lands under the control of the U.S. Bureau of Land Management and the Bureau of Indian Affairs.

The firm has attorneys who primarily focus their work on title examination. Sadler Law Firm has attorneys licensed in states, including California, Kansas, Louisiana, North Dakota, Oklahoma, Pennsylvania, Texas and West Virginia.

Sadler Law Firm has completed thousands of title examinations. This library of opinions gives us an institutional knowledge of the ownership of tracts of land throughout the country, which can save our clients the considerable time and expense involved with researching old chains of title. In the course of title examination, our attorneys often coordinate the activities of abstractors, landmen and lease brokers in securing materials necessary to establish the ownership of property.

Our title opinions provide detailed information on existing encumbrances that could affect the acquisition, financing or development of a property. Without an accurately researched and properly prepared title opinion, oil and gas operators run the risk of major financial consequences, including unnecessary and costly litigation.

Several years ago we started building a drafting guide, similar to a form book, with standardized formatting for the various parts of a title opinion. The purpose was to assist in the drafting process and reduce the time required to complete the review process.

The firm has increased the number of paralegals at the firm to the ratio of one paralegal for every five or six attorneys. The purpose was to reduce the number of attorney billable hours expended on the drafting and review process, and to increase the amount of drafting, document preparation and review process conducted by paralegals at a much lower billable rate. The other purpose was to utilize attorneys for legal review and interpretation, as opposed to more ministerial activities.

All of these actions have been aimed at streamlining our process for the generation of title opinions and to gain increased flexibility in the range of options we are able to offer for title opinions in order to better meet the needs of our clients.

Additionally, to accommodate the needs of our client in developing urban areas, we can offer alternatives to the traditional Original Title Opinion/Supplemental Title Opinion/Division Order Title Opinion, which is the hallmark of the exploration and production cycle.

We also understand the importance of cost controls given the present commodity prices, and the nature of certain unconventional resource plays. As such, we are open to discussion of alternate billing methods, for example, flat rate billing for title opinions or volume discount billing rates for all staff.

We have handled prospects of all sizes, from one tract prospects to subdivision prospects containing hundreds of tracts. Regardless of the size of your project, Sadler Law Firm has the manpower and energy to get the job done in the most efficient and cost effective manner.

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## TRANSACTIONS

Sometimes it seems like there are a thousand moving parts in an acquisition of oil and gas properties – negotiation of agreements, documentation, due diligence, post-closing responsibilities – sometimes it seems endless. Sadler can help you by bringing a focus on the transaction that lets you get through it and back to business. Our attorneys have been on all sides of the transaction – whether domestic or foreign, producing or non-producing, upstream or midstream assets.

Our attorneys are routinely involved in negotiating and drafting purchase and sale agreements, assignments and agreements incident to the transaction. Our attorneys have been involved in documenting the purchase and sale of billions of dollars of assets, and are familiar with the course of the deal and the potential pitfalls.

The pre-closing due diligence process can be chaotic. Sadler attorneys bring order to that chaos. Whether the title due diligence process involves title defect notices, full-blown opinions, or something in between, Sadler attorneys focus on expediting the due diligence process in a manner which yields readable, understandable documents to aid the client in their understanding of the oil and gas properties and the impact of the state of the title on the purchase price and related matters. We are large enough to bring the necessary force to bear for large acquisitions, yet still nimble enough to adjust to changing conditions or demands dictated by the state of the title and the relative valuations of the properties. Because we have attorneys on staff who have served in an in-house capacity, we understand and have experienced the aspects of the due diligence phase of the acquisition in a fashion which goes beyond the title. We are experienced with the geological reports and engineering reports which form a part of the due diligence phase of an acquisition.

As curative documentation is so important in the due diligence process, we work closely with the client both on our recommendations for curative action and the analysis of the curative materials upon receipt.

Our involvement in acquisitions has not been limited to the representation of purchasers, but has also encompassed representation of lenders in the transaction. As such we are experienced in negotiating, preparing and reviewing credit agreements, loan agreements, mortgages, financing statements, security agreements and related documents and instruments for both borrowers and lenders.

Because of the Sadler view that acquisition is simply one point on the continuum of exploration and production, we understand the importance of a purchaser's or seller's post-closing responsibilities, and the legal support to maximize the efficiency of exploration. Sadler attorneys are experienced in negotiating and drafting a variety of documents which may be necessary post-closing, such as joint operating agreements, participation agreements, unitization or pooling agreements, farmout agreements, surface or subsurface

agreements, indemnity agreements, and net profits or production payment agreements.

Sadler Law Firm also represents common carriers and gas utilities in their exercise of the power of eminent domain, in defending their property rights when the power of eminent domain is exercised, and in aiding them in the enforcement of their easement rights against encroachments.

## LITIGATION

The litigation process can be turbulent and full of uncertainties. Sadler can manage the turbulence and help clear the uncertainty of litigation through detailed and focused attention to our clients' needs and expectations.

Sadler attorneys have a wealth of experience litigating in both federal and state courts, including suits to quiet title, boundary disputes, contested probate matters, international oil and gas contract disputes, employment matters, maritime and bankruptcy issues.



Sadler law Firm also represents common carriers and gas utilities in their exercise of the power of eminent domain, in defending their property rights when the power of eminent domain is exercised, and in aiding them in the enforcement of their easement rights against encroachments.

Sadler attorneys are experienced in negotiating and drafting a variety of documents which may be necessary to support favorable litigation outcomes, such as boundary agreements, land title documentation, joint operating agreements, participation agreements, unitization or pooling agreements, farmout agreements, surface or subsurface agreements, indemnity agreements, and net profits or production payment agreements.

Our clients range from small, single-state exploration and production companies to large multi-national corporations. Because we have such varied experience, our clients know that no matter the complexity, Sadler attorneys can deliver our services efficiently and expeditiously.