

Pooling:

A question poised on the tip of
an ethical knife

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Pooling: A question poised on the tip of an ethical knife

- **ETHICAL PRINCIPLES**
- **HONESTY; TRUSTWORTHINESS;
ACCOUNTABILITY; CONCERN FOR OTHERS;
RESPECT FOR OTHERS;**
- **INTEGRITY** - the courage of convictions to do what appears right even when there is great pressure to do otherwise.
- **FAIRNESS** - a commitment to justice, the equal treatment of individuals, tolerance for and acceptance of diversity, open-mindedness

American Property Rights

- The owner of the surface in America also owns everything between that surface and the center of the earth.
- The landowner should have an inalienable right to do as he or she sees fit with his/her land.
- It is the landowner's choice to lease or not to lease

Not to lease

- The landowner must accept the idea that there are very real consequences for not leasing.
- The industry is not going to walk away from a unit in respect of the dearly held belief of one righteous landowner.
- Environmental footprint: Rather than just one pad there may be two, three, or four pads.
- Are property rights worth more than the potential for exacerbated environmental risks?

Not to lease

- The landowner must accept the idea that there are very real consequences for not leasing.
- The question is whether rights of one landowner should effectively trump the inalienable rights of other landowners around the righteous landowner.

Fleeting Resource

- A resource that flows is called a 'fleeting resource'
- **Air**: A country owns the space but not the air
- **The Water in Rivers**: A country owns the riverbed but not the water
- **Ground Water** – flows across boundaries
- **Oil** – flows across boundaries
- **Gas** – flows across boundaries

Drainage from under non-consenting properties is a lawful practice

- Simple stated, the Rule of Capture allows drainage of unleased land without any benefit to the owner of the mineral rights
- Hydraulic fractures that cross under property boundaries are not subject to the laws of subsurface trespass

Polarizing Language:

- Fair Pooling v. Forced Pooling
- Pro-Choice v. Pro-Life