

**State of Michigan
Civil Service Commission**

Capitol Commons Center, P.O. Box 30002
Lansing, MI 48909

Position Code

1. PROPSPL2A26N

POSITION DESCRIPTION

This position description serves as the official classification document of record for this position. Please complete the information as accurately as you can as the position description is used to determine the proper classification of the position.

2. Employee's Name (Last, First, M.I.) 	8. Department/Agency DNR-NATURAL RESOURCES
3. Employee Identification Number 	9. Bureau (Institution, Board, or Commission)
4. Civil Service Position Code Description PROPERTY SPECIALIST-2	10. Division FINANCE AND OPERATIONS
5. Working Title (What the agency calls the position) POOLING AND UNITIZATION SPECIALIST	11. Section MINERALS MANAGEMENT
6. Name and Position Code Description of Direct Supervisor GUTIERREZ, ANDREW B; DEPARTMENTAL MANAGER-3	12. Unit REVENUE VERIFICATION
7. Name and Position Code Description of Second Level Supervisor FRY, MATTHEW W; STATE ADMINISTRATIVE MANAGER-1	13. Work Location (City and Address)/Hours of Work Deborah A Stabenow, 525 W Allegan Street, Lansing / M-F;8-5

14. General Summary of Function/Purpose of Position

As a Staff Specialist, this position's predominant and essential function is to serve as the DNR state-wide specialist overseeing the State of Michigan's mineral involvement in pooling and unitization agreements for oil and gas development and production. Due to the high complexity of the oil and gas industry and the constantly changing industry practices and technological advances, this position must have advanced knowledge of statutes, rules and regulations pertaining to minerals management of state-owned lands, as well as oil and gas leases, legal property descriptions, drilling requirements and well spacing rules and regulations. The position is responsible for formulating and implementing policies and procedures involving the specialty area of pooling and unitization agreements, along with highly complex assignments related to the work. This position acts as the Liaison who oversees the exchange of information with the Environment, Great Lakes, and Energy (EGLE) to establish accurate records for issuance of drilling permits, temporary abandoned wells, plugging of wells, and completion reports for wells including lands involving state-owned minerals. Duties also include analyzing the impact of proposed Uniform Spacing Plan petitions submitted to EGLE, as well as providing technical assistance and/or expert testimony, as needed. Additionally, this position interfaces with oil and gas industry operators to ensure the section is in possession of the latest division orders for all pooled, unitized, and single well operations.

15. Please describe the assigned duties, percent of time spent performing each duty, and what is done to complete each duty.

List the duties from most important to least important. The total percentage of all duties performed must equal 100 percent.

Duty 1

General Summary:

Percentage: 35

Make recommendations to the MMS Management for the DNR approval of the State of Michigan's state-wide mineral participation in proposed pooling agreements and unitization agreements for oil and gas development, including recommendations on the acceptance of changes to existing agreements, as well as analysis of proposed Uniform Spacing Plans (USP) which include State-owned lands and are submitted to the EGLE Supervisor of Wells for approval.

Individual tasks related to the duty:

- Analyze and review the content of all legal documentation of the proposed agreement or USP and supporting data on a case-by-case basis, as each project is unique.
- Develop strategies for reaching terms and working with the petitioner on requirements to include in the legal documentation of Agreements or USPs.
- Research and interpret land ownership records to determine the State's ownership in the proposed unit boundaries.
- Review and research the geographic area of the proposed unit boundaries to identify any leasing or drilling restrictions due to Designated Areas or prestige lands in the State of Michigan.
- Research lease status and review current leasehold data to determine whether the applicant has the authority to operate under the leases which are included in the proposed pooling or unitization agreement or USP.
- Review lease revenue data to verify that the lease/leases included in the proposed pooling or unitization agreement or USP are current and revenue payments are accurate and paid to date.
- Correspond with industry and DNR field staff, as needed, to document the company's plan of oil and gas development of the proposed pooled/unitized area.
- Secure additional background information as needed to negotiate changes to the proposed Agreement, or for submission to EGLE for a proposed USP, to clarify and protect the State's interest.
- Make recommendations to Unit Supervisor and Section Manager related to pooling and unitization agreements involving the State of Michigan's mineral interest.
- Process amendments to pooling and unitization agreements, upon request by operator, by completing the necessary steps above, including verification of the development status of the project.
- Work with DNR field staff and EGLE staff to determine all restoration requirements have been met after production ceases before releasing operator from responsibility of an agreement.

Duty 2

General Summary:

Percentage: 30

Maintain and ensure the accuracy of drilling activities (permitting, drilling, completing, and plugging) of oil and gas wells throughout the State of Michigan involving state-owned minerals, along with all pooling and unitization information entered into the DNR's database (LOTS), which is used as the record keeping and the revenue accounting system for Minerals Management Program.

Individual tasks related to the duty:

- Responsible for enhancing and testing the DNR's database (LOTS) related to drilling units, pooling and unitization agreements.
- Oversee the maintenance and updating of data pertaining to State-wide oil and gas well permits, drilling activities, production, and plugging of wells involving state oil and gas leases issued or managed by the DNR.
- Oversee the maintenance and updating of data pertaining to over 500 state-wide active pooled/unitized areas in Michigan.
- Maintain the process to monitor stipulations within pooling/unitization agreements.
- Analyze deeds and available records to determine the State's equity in parcels.
- Review leases and related documents, including DNR computer mapping programs, lease assignments, pooling/unitization agreements, USP files, Division Orders and EGLE Well Permit Records to accumulate, verify, and update (LOTS) database.
- Create and input legal descriptions into (LOTS) database, calculating acreage figures and/or establishing deed document information involving minerals under lease, which may be owned by the DNR or managed by the DNR but under the jurisdiction of other state agencies.
- Prepare LOTS procedures, processes and/or training related to position duties for DNR, other state agency staff and for public inquiry purposes.

Duty 3

General Summary:

Percentage: 25

Maintain records which govern the handling and disposition of division orders. Division orders are legal instruments that specify the net royalty interest percentage of revenue, from a well or unit, that is due to the State of Michigan. The net royalty interest is used in the calculation upon which royalty payments are made. Division orders impact all revenue processes.

Individual tasks related to the duty:

- Adhere to processes and procedures for the reviewing and processing of division orders which includes verifying the acres under lease within the production unit (drilling unit, unitized area or pooling); the total acres within the production unit; terms of applicable leases; and calculating the state's net royalty interest.
- Verify all elements of the division order with research into leases, unit agreements, information in LOTS (including parcel and acreage information), deeds, the Environment, Great Lakes, and Energy (EGLE) website and databases, specialty maps, lessee and operator records, and applicable statutes and policies.
- Interact with lessees and operators to obtain review information.
- Make changes or coordinate with other Minerals Management staff to resolve any issues in the state's records that were identified during the division order review including rental abatements, releases, and lease amendments.

Duty 4

General Summary:

Percentage: 5

Serve as the liaison with the EGLE and other state agencies, organizations, industry representatives and the public, in areas related to oil and gas drilling activities and pooling and unitization agreements involving State of Michigan minerals.

Individual tasks related to the duty:

- Regular contacts with various staff within EGLE's Oil, Gas and Minerals Division to establish accurate records for the permitting, drilling, completing and plugging of oil and gas wells involving State-owned minerals.
- Review petitions filed by industry, requesting special spacing orders to be approved by EGLE's Supervisor of Wells for state-owned mineral involvement. Address DNR concerns by requesting assistance from the Attorney General's Office.
- Serve as an expert witness to Assistant Attorney General and/or in EGLE Supervisor of Wells Administrative Hearings, or provide assistance as needed.
- Provide direction to oil and gas industry representatives on interpretation and implementation of requirements and written agreements relating to the leasing, pooling, and unitization of State-owned minerals.
- Serve as liaison and provide technical assistance to the public, oil and gas industry, corporations, other governmental entities, and civic groups on matters relating to the leasing and development of State-owned minerals.

Duty 5**General Summary:****Percentage: 5**

Other duties as assigned by the supervisor and/or section manager.

Individual tasks related to the duty:**16. Describe the types of decisions made independently in this position and tell who or what is affected by those decisions.**

Decisions regarding the State of Michigan lands being pooled or unitized for oil and gas development consistent with the DNR's responsibilities under 1994 PA 451, as amended, and the Department's practice of optimizing revenue consistent with other public interest and natural resources values. Pooling and Unitization Agreements directly impacts how revenue is paid. These decisions regarding revenue payments impact on the State of Michigan, the Michigan Natural Resource Trust Fund, the State Park Endowment Fund, the Game and Fish Fund and other federal funds. Each of these funds directly or indirectly impacts the citizens of the State of Michigan.

17. Describe the types of decisions that require the supervisor's review.

- - Interpretation of more complex legal documents.
 - When situations arise that are in conflict with current practices or procedures or when new or unusual events or circumstances occur regarding Department goals.
 - Decisions requiring legal advice from the Office of the Attorney General or complex policy decisions.
 - Where unusual, contentious, or conflicting situations or circumstances are anticipated.
 - Where decisions could impact another Office, Section, Division, or Department program or goal.
 - When decisions involve issues of a controversial nature.
 - Decisions that are likely to cause controversial issues between the DNR and private mineral owners or lessees.

18. What kind of physical effort is used to perform this job? What environmental conditions in this position physically exposed to on the job? Indicate the amount of time and intensity of each activity and condition. Refer to instructions.

Stooping, bending, sitting, computer use on a regular basis.

19. List the names and position code descriptions of each classified employee whom this position immediately supervises or oversees on a full-time, on-going basis.**Additional Subordinates****20. This position's responsibilities for the above-listed employees includes the following (check as many as apply):**

- | | | | |
|---|------------------------------------|---|-----------------------------------|
| N | Complete and sign service ratings. | N | Assign work. |
| N | Provide formal written counseling. | N | Approve work. |
| N | Approve leave requests. | N | Review work. |
| N | Approve time and attendance. | N | Provide guidance on work methods. |
| N | Orally reprimand. | N | Train employees in the work. |

22. Do you agree with the responses for items 1 through 20? If not, which items do you disagree with and why?

Yes

23. What are the essential functions of this position?

- serve as the state-wide expert in overseeing the State of Michigan's mineral involvement in pooling and unitization agreements for oil and gas development and production.
- formulating and implementing policies and procedures involving pooling and unitization agreements.
- Maintains oil and gas division order records and interfaces with operators to obtain most current division orders for pooled, unitized, and single well operations.
- acts as the Liaison overseeing the exchange of information with the EGLE to establish accurate records for issuance of drilling activities including lands involving state-owned minerals.
- analyzing the impact of proposed uniform spacing plan petitions submitted to EGLE, as well as providing technical assistance and/or expert testimony, as needed.

24. Indicate specifically how the position's duties and responsibilities have changed since the position was last reviewed.

25. What is the function of the work area and how does this position fit into that function?

The DNR's Minerals Management Section administers statutes, rules, regulations, policies, procedures and leases relating to oil and gas, metallic, nonmetallic, and underground gas storage leasing programs. This program also administers land transaction recommendations for the specific sale of minerals and allied rights in state-owned lands, as well as, mineral valuations for the potential sale, acquisition or exchange of mineral rights administered by a separate DNR program, and verification of all revenues due to state through mineral leasing activities.

This position serves as the DNR expert in overseeing the State of Michigan's mineral involvement in pooling activities and unitization agreements for the development and production of oil and gas, ensuring that it is in the State's best interest and that the State is receiving its share of revenue based on the terms of the oil and gas lease, contractual agreements or other relevant laws, statutes and regulations. This position also ensures that other lease obligations have been met, i.e., wells plugged and surface reclamation has occurred before the lease is released; and providing testimony at administrative hearings, if needed.

This position acts as the liaison with EGLE's Oil, Gas and Minerals Division, who oversees the exchange of information to ensure the accuracy of drilling units, pooling and unitization information entered in the DNR's database, Land Ownership Tracking System (LOTS) which is used as the record keeping and the revenue accounting system for Minerals Management Section.

26. What are the minimum education and experience qualifications needed to perform the essential functions of this position.

EDUCATION:

Possession of a bachelor's degree in any major.

EXPERIENCE:

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Four years of experience equivalent to a Property Analyst, including two years equivalent to a Property Analyst P11 or one year equivalent to a Property Analyst 12.

KNOWLEDGE, SKILLS, AND ABILITIES:

- Thorough knowledge of Federal, State and Department laws, rules, policies, and procedures affecting the oil and gas leasing program.
- Ability to interpret legal contracts such as oil and gas leases, pooling and unitization agreements.
- Ability to easily adjust to constantly changing industry practices and technological advances. Knowledge of EGLE's oil and gas regulations, general well spacing, and the various geological oil and gas formations throughout the entire State of Michigan. Ability to assume independent responsibility for determining work priorities and completion of work assignments.
- Ability to interpret legal property descriptions and calculate acreage figures.
- Ability to maintain records and prepare reports and correspondence related to the work.
- Ability to communicate effectively both verbally and in written format, exercising tact and diplomacy to maintain favorable public relations.
- Strong personal computer skills with an emphasis on Microsoft products including Word, Excel, Outlook, and PowerBI.

CERTIFICATES, LICENSES, REGISTRATIONS:

None.

NOTE: Civil Service approval does not constitute agreement with or acceptance of the desired qualifications of this position.

I certify that the information presented in this position description provides a complete and accurate depiction of the duties and responsibilities assigned to this position.

Supervisor

Date

TO BE FILLED OUT BY APPOINTING AUTHORITY

Indicate any exceptions or additions to the statements of employee or supervisors.

None.

I certify that the entries on these pages are accurate and complete.

Appointing Authority

Date

I certify that the information presented in this position description provides a complete and accurate depiction of the duties and responsibilities assigned to this position.

Employee

Date