

# CANADIAN ASSOCIATION OF PETROLEUM LANDMEN

## PROFESSIONALISM PROCEDURE

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### MISSION STATEMENT

To set forth a framework and procedure by which members of the Canadian Association of Petroleum Landmen (“CAPL”) can achieve and maintain a demonstrated high level of professional proficiency and ethical conduct, and to provide a certification standard that landmen, industry members and groups, regulatory officials, landowners and the public can accept as reliable evidence that a CAPL member has attained same.

### OBJECTIVE

To encourage CAPL members to attain and maintain the highest level of proficiency and ethical conduct expected of a landman within the Canadian energy industry. Qualified candidates will be required to pass an examination testing their knowledge of the many facets of land work.

## 1. QUALIFICATIONS FOR CERTIFICATION

The CAPL has developed a voluntary, professional certification program which provides several alternative paths to CAPL members who wish to be recognized as a Certified or Professional Landman.

Certified and Professional designations have been developed for both Mineral and Surface disciplines. CSL/CML (Certified Surface Landman/Certified Mineral Landman) designations recognize an introductory level of education and practical experience while PSL®/P.Land® (Professional Surface Landman/Professional Landman) designations recognize an advanced level of expertise and proficiency. The Certified designations are recognized as a step in the progression towards the goal of achieving a Professional designation but not a prerequisite. Members who pursue and achieve such designations are recognized for their dedication to their personal development to the highest level of experience and expertise in their field.

Any active CAPL member in good standing who meets the qualification criteria and application requirements, and who achieves all required educational and examination standards described herein, may obtain and hold these designations, subject to the recertification provisions described herein.

Any applicant who is applying for the CSL or PSL® designation must be an active Permanent Land Agent in Alberta or hold a provincial equivalent. The term “active Permanent Land Agent” as used herein means a person who holds a Permanent Alberta Land Agents Licence and who has personally negotiated or directly supervised the negotiation of at least ten (10) acquisitions of an interest in surface land in the previous year.

**Provincial Equivalent:** refers to a landman who has been working primarily in a province for a minimum of 12 months that may or may not have licensing requirements. If licensing is required the applicant will have to have an active permanent license for that jurisdiction.

The requirements for obtaining certification include a combination of “qualifying experience”, completion of certain designated mandatory courses, academic achievement and/or the successful completion of a written examination.

**Experience:** is defined under the CAPL Bylaws (Article 3.1.F).

### A. CSL/CML

- i) If the applicant has received an undergraduate degree with a major in Petroleum Land Management from an accredited university in Canada or the United States, or the applicant has received a land agent diploma from the Olds College Land Agent Program, then the following path to certification applies:

**Required Experience:** A minimum of one (1) year<sup>(\*)</sup> practical experience as a landman;

- ii) If the applicant has received an undergraduate degree from an accredited university in Canada, the United States, or the United Kingdom (or other country at the sole discretion of the Certification Committee) with a major other than Petroleum Land Management, then the following path to certification applies:

**Required Experience:** A minimum of two (2) years<sup>(\*)</sup> practical experience as a landman;

- iii) If the applicant has received a diploma from an accredited college in Canada or the United States (minimum two-year program), then the following path to certification applies:

**Required Experience:** A minimum of three (3) years<sup>(\*)</sup> practical experience as a landman;

- iv) If the applicant has not received a post-secondary degree or diploma from an accredited university or college, then the following path to certification applies:

**Required Experience:** A minimum of five (5) years<sup>(\*)</sup> practical experience as a landman;

**Plus:**

**Required Courses:** CAPL Ethics, CAPL Fiduciary Duties (must be taken within 5 years of application); plus

**Required Core Courses:** A minimum of two (2) full-day CAPL courses from the following categories within five (5) years of application:

- (i) Field Services (\*\*)
- (ii) Oil and Gas Law (\*\*)
- (iii) Negotiations (\*\*)
- (iv) Regulations (\*\*)
- (v) Contracts (\*\*)

**Applicants applying for CSL must have attended a minimum of two (2) full-day Approved CAPL Surface Courses.**

**No Courses taken to obtain any Degree/Diploma under the Alternate Paths to Certification can be utilized as a course for Application of either the CSL/CML.**

Applicants must provide evidence of course attendance to the satisfaction of the Certification Committee.

Examination: No Certification Exam Required.

**B. PSL®/P.Land®**

- i) If the applicant has received an undergraduate degree with a major in Petroleum Land Management from an accredited university in Canada or the United States, or the applicant has received a land agent diploma from the Olds College Land Agent Program, then the following path to certification applies:

**Required Experience:** A minimum of five (5) years<sup>(\*)</sup> practical experience as a landman;

- ii) If the applicant has received an undergraduate degree from an accredited university in Canada, the United States, or the United Kingdom (or other country at the sole discretion of the Certification Committee) with a major other than Petroleum Land Management, then the following path to certification applies:

**Required Experience:** A minimum of six (6) years<sup>(\*)</sup> practical experience as a landman;

- iii) If the applicant has received a diploma from an accredited college in Canada or the United States (minimum two-year program), then the following path to certification applies:

**Required Experience:** A minimum of eight (8) years<sup>(\*)</sup> practical experience as a landman;

- iv) If the applicant has not received a post-secondary degree or diploma from an accredited university or college, then the following path to certification applies:

**Required Experience:** A minimum of ten (10) years<sup>(\*)</sup> practical experience as a landman;

**Plus:**

**Required Courses:** CAPL Ethics, CAPL Fiduciary Duties (must be taken within 5 years of application); plus

**Required Core Courses:** A minimum of ten (10) full-day CAPL courses, with a minimum of one (1) full-day course from each of the following categories within five (5) years of application:

- (i) Field Services (\*\*)
- (ii) Oil and Gas Law (\*\*)
- (iii) Negotiations (\*\*)
- (iv) Regulations (\*\*)
- (v) Contracts (\*\*)

Applicants applying for PSL® must have attended a minimum of six (6) full-day Approved CAPL Surface Courses. Applicants applying for P.Land® must have attended a minimum of three (3) full-day Approved CAPL Surface Courses.

No Courses taken to obtain any Degree/Diploma under the Alternate Paths to Certification can be utilized as a course for Application of either the CSL/CML or PSL®/P.Land®.

Applicants must provide evidence of course attendance to the satisfaction of the Certification Committee.

Examination: Must also pass the Certification Exam.

### **C. Challenging the Certification Exam**

Any active CAPL member in good standing with at least fifteen (15) years<sup>(\*)</sup> of practical experience as a landman may apply to the Certification Committee to become a Professional Member and apply to write the Certification Exam, without attending all of the required core courses (except they must have attended the CAPL Ethics and Fiduciary Duties courses in the five (5) years prior to the date their application is received by the CAPL office), provided the applicant meets the other certification requirements. Any applicant for the PSL® designation under this provision must also be an active Permanent Land Agent in Alberta or hold a provincial equivalent.

(\*) *one year of practical experience as a landman means the applicant has full-time employment as a landman for one year; whereas half-time employment as a landman would mean the applicant would need two (2) years' experience to equal one (1) year full-time employment experience; and part-time employment would be pro-rated accordingly.*

(\*\*) *or equivalent CAPL course or non-CAPL course as approved in writing by the Certification Committee. Before attending a non-CAPL course intended to be used as an equivalent to a CAPL course, applicants are encouraged to obtain written approval of that equivalency from the Certification Committee.*

***NOTE: One (1) Full-day Course is equivalent to two (2) half-day courses or a total of six (6) hours of Instruction.***

FOR FURTHER CLARITY ON THE APPLICATION PROCESS FOR ALTERNATE PATHS TO CERTIFICATION, PLEASE SEE CAPL ALTERNATE PATHS TO CERTIFICATION FLOW CHARTS.

## **2. CERTIFICATION COMMITTEE AND APPLICATION PROCEDURE**

### **A. Certification Committee**

The Certification Committee shall be comprised of a minimum of six (6) active, life or senior CAPL members holding either the P.Land® or the PSL® designation (or be an active Permanent Land Agent). At least fifty percent (50%) of the members of the Certification Committee shall either hold the PSL® designation or be active Permanent Land Agents. The Certification Committee may also be sub-divided into two sub-committees, one for P.Land® applications and one for PSL® applications. The Chair of the Certification Committee shall report to the Director of Professionalism. Any appeals of a decision of the Certification Committee shall be referred to the Director of Professionalism. Any appeals of a decision of the Director of Professionalism shall be referred to the CAPL Board of Directors for a final decision.

### **B. Application**

In order to be considered by the Certification Committee, each applicant for certification must submit a completed application form and comply with the Qualifications for Certification set out in clause 1 hereof.

Each application must provide the dates of attendance of the core courses taken, along with the endorsements of:

- (a.) in the case of an applicant for the CSL/CML designations, three (3) sponsors, no more than two (2) of which, at the time of application, are employed or retained as a consultant by a common employer: each of whom is either an Active, Life or Senior member of CAPL; at least two of whom must hold either a P.Land® or PSL® designation from the CAPL or have a CPL or RPL designation from the AAPL;
- (b.) in the case of an applicant for the PSL®/P.Land® designations, five (5) sponsors: all of whom must be either an Active, Life or Senior member of CAPL; three must hold either a PSL® or P.Land® designation or be an active Permanent Land Agent in Alberta or hold a provincial equivalent none of whom, at the time of application, are employed or retained as a consultant by a common employer.

Sponsor forms can be submitted separately and will be treated in the strictest confidence. Application and sponsor forms may be downloaded from the Internet at [www.landman.ca](http://www.landman.ca).

Applications and sponsor forms must be returned to the CAPL office for review and approval by the Certification Committee prior to the applicant being eligible to schedule writing of the Certification Exam.

**C. Verification**

Endorsements by sponsors must affirm that the applicant meets the stated and implied qualifications for certification as a Professional Member and should also attest to personal conduct, professional ability and ethical standards. The applicant should attempt to have endorsements collectively cover the entire work history from entry into the land profession until date of application. Applicants and sponsors should expect to receive further inquiry from the Certification Committee, at its sole discretion, to verify the information contained in the submitted forms.

**D. Consideration of Application**

Each applicant for Certification will receive written notice of the approval or denial for candidacy from the Certification Committee. If candidacy is denied, the applicant will be informed of the reasons for denial and will have forty-five (45) days after receipt of notice to file a written appeal to the Director of Professionalism. The Director of Professionalism will review the appeal and provide a response to the denied applicant. Any appeals of a decision of the Director of Professionalism shall be referred to the CAPL Board of Directors for a final decision within forty five (45) days after receipt of notice. An application can be re-submitted only when the applicant fully complies with the Qualifications for Certification.

**E. Payment of Application Fees**

The application, along with the required application fee, should be submitted to the CAPL office.

**F. Certification Exam**

Once PSL®/P.Land® applicants have received approval to write the Certification Exam from the Certification Committee (or, in the case of a successful appeal, from the Director of Professionalism or the CAPL President on behalf of the Board of Directors), the applicant's name will be registered and given a confidential identification number. Thereafter, those approved for candidacy may arrange to purchase a copy of the Professionalism Manual from the CAPL Office and schedule a time to write the Certification Exam at the CAPL Office or such other location as directed. Certification exams to be scheduled at the CAPL Office on the third Friday of every month from 9am - Noon. Additional locations to write exam for applicants requiring travel must be approved in writing by the Professionalism Director.

**G. Professionalism Manual**

A comprehensive reference manual has been developed for applicants, which contains background information (complementary to a solid working knowledge) for the Certification Exam in addition to pertinent information of use to all Landmen. The Professionalism Manual may be purchased at any time or in conjunction with an application for certification.

### 3. CERTIFICATION EXAM

#### A. Certification Exam Structure and Content

The Certification Exam is a comprehensive examination dealing with all areas of land related work. Extensive “hands on” experience, practical experience and knowledge will be required to pass the exam. The Applicant will be required to exhibit knowledge of all functions of a landman’s job. The exam will be prepared by an Exam Committee appointed by the Professionalism Director, and will consist of 150 questions comprised of multiple choice, True or False, and short answer, as recommended by the exam committee, and will be updated on a regular basis so that content is current and remains confidential.

(i) *P. Land*<sup>®</sup>

An applicant for the P.Land<sup>®</sup> designation will have the following weighting based on the subject areas of the Professionalism Manual Sections 2-10 and Fiduciary Duties.

**EXAM WEIGHTING IS AS FOLLOWS:**

**Section 2 – Oil & Gas Law:** 20 questions  
**Section 3 – Freehold Oil & Gas Leases:** 10 questions  
**Section 4- Surface Land:** 15 questions  
**Section 5 – Agreements:** 25 questions  
**Section 6 – Acquisitions and Divestments:** 25 questions  
**Section 7 Economics and Taxation:** 10 questions  
**Section 8 – Negotiations and Ethics plus Fiduciary Duties:** 15 questions  
**Section 9 – Regulations:** 20 questions  
**Section 10 – Unconventional Gas & Oil Sands/Heavy Oil:** 10 questions  
**TOTAL Questions: 150**

(ii) *PSL*<sup>®</sup>

An applicant for the PSL<sup>®</sup> designation will have the following weighting based on the subject areas of the Professionalism Manual Sections 2, 3, 4, 8, 10 and Fiduciary Duties & all applicable Surface Regulations.

**EXAM WEIGHTING IS AS FOLLOWS:**

**Section 2 – Oil & Gas Law:** 20 questions  
**Section 3 – Freehold Oil & Gas Leases:** 20 questions  
**Section 4- Surface Land:** 55 questions  
**Section 8 – Negotiations and Ethics plus Fiduciary Duties:** 15 questions  
**Section 10 – Unconventional Gas & Oil Sands/Heavy Oil:** 10 questions  
**Surface Regulations:** 30 questions  
**TOTAL Questions: 150**

**Note:** List of Surface Regulations for PSL<sup>®</sup> Exam will be submitted to applicant upon application being approved.

To successfully complete the P.Land<sup>®</sup> and PSL<sup>®</sup> Certification Exam, applicants must pass with an overall minimum grade of seventy percent (70%).

#### B. Limitations for Examination and Re-examination

Those applicants approved to write the Certification Exam shall have twelve (12) months from the date of notification of application approval in which to sit for the Certification Exam. Should an applicant fail the Certification Exam, the applicant will have six (6) months from the date of notification of marks in which to retake and pass a re-examination. The applicant may request no more than one (1) re-write. Failure to write and/or pass the re-examination will require the applicant to re-apply and such application shall not be processed or approved until a period of at least one (1) year has elapsed from the date of the re-examination.

#### C. Exam Results

Applicants taking the Certification Exam will be informed of pass, fail, or actual mark at the Certification Committee’s discretion.

## 4. CERTIFICATION

Upon successful completion of the Certification Exam and upon having satisfied all of the requirements, as determined by the Certification Committee, an applicant will receive the designation of P.Land® or PSL®, together with a Certificate evidencing same, subject to the re-certification provisions contained herein.

## 5. ETHICS, INTEGRITY AND COMPETENCY

Applicants for certification must meet the high degree of ethical and competency standards of the CAPL. The ethical standards contained in Article 5 of the By-Laws of the CAPL shall prevail. The applicant's signature on the application form (as well as that of each sponsor on a sponsor form) warrants the individual's personal acknowledgement and acceptance of the conditions and duties of certification and sponsorship.

## 6. CONFIDENTIALITY

Each candidate for certification will be given an identification number and all details and information pertaining to every step of the certification process -including the application, verification, examination and test results -will remain confidential to the CAPL Office, CAPL Board of Directors, Director of Professionalism and Certification Committee.

## 7. DENIAL OR REVOCATION OF CERTIFICATION

Certification may be denied or revoked or re-certification denied at any time for unethical behavior. Upon receiving a detailed written complaint from a CAPL member or from the Certification Committee, the CAPL Ethics Committee shall process same in accordance with the Ethics Procedure Manual, which includes the right to a hearing, and appeal to the CAPL Board of Directors.

## 8. RE-CERTIFICATION

### A. General Guidelines

All designations are required to re-certify every five (5) years in accordance with the re-certification cycle (see 8. C.) and the following guidelines:

Members holding CSL/CML designations are required to earn a minimum of twelve (12) credits by attending CAPL approved Courses in direct relation to their specific designation, and are required to attend an Ethics course. CSL/CML will be allowed only one recertification and must either progress to the PSL®/P.Land® designation or re-apply.

Each Professional Member (PSL®/P.Land®) is required to earn a minimum of fifty (50) credits within each 5-year re-certification period. Credits can be earned as follows:

- (i) Employment: Five (5) credits per year of full-time employment as a petroleum landman within the energy industry (either as an employee or as a consultant). Credits will be pro-rated for part-time employment and sabbatical periods.
- (ii) Attendance at CAPL Courses:
  - 1) Professional Members are required to attend a CAPL Ethics course<sup>(\*\*\*)</sup> at least once during each 5-year re-certification period, plus
  - 2) Professional Members are required to earn a minimum of thirty (30) credits<sup>(\*\*)</sup> within each 5-year re-certification period by taking CAPL approved courses<sup>(\*\*\*\*)</sup>. Of those 30 credits PSL® members are required to have a minimum of twelve (12) credits<sup>(\*\*)</sup> obtained from CAPL approved Surface Courses. P.Land® and PSL® members are required to have a minimum of one (1) non-designate course to support their designation.

**24 credits / semester**

**12 credits / two day course**

**6 credits / full day course (full day course based on 6 to 8 hours)**

**3 credits / half day course (half day course based on 3 to 4 hours)**

**1 credit for attendance at a CAPL Topical Issues Luncheon or CAPL General Meeting where speaker provides information on an energy industry topic.**

(\*\*) Credits may also be earned by taking courses other than CAPL courses, provided such courses enhance the professional development within the Energy Industry. The Certification Committee must approve all re-certification credits for non-CAPL courses.

(\*\*\*) The required Ethics Course can be from another institution.

(\*\*\*\*) 15 of the 30 required CAPL approved courses can be earned through active volunteering with CAPL or other energy industry association committees. Please refer to 8. A. (vi) for volunteer credits.

Before attending a non-CAPL course intended to be used as an equivalent to a CAPL course, applicants are encouraged to obtain written approval of that equivalency from the Certification Committee.

- (iii) Attendance at CAPL Annual Conferences: Full attendance of the program at an annual CAPL conference may earn up to a maximum of six (6) credits, depending on the educational content of the conference program (as determined by the Certification Committee).
- (iv) Instructing CAPL courses/industry courses/post-secondary institution courses relating to professional development within the Energy Industry:
  - 1 course credit / teaching hour
- (v) Presentation of papers or submission of technical papers to the CAPL magazine:
  - Presentation of papers 5 credits/paper
  - Submission of technical articles for publication by or on behalf of CAPL 3 credits/article
- (vi) Active volunteering on CAPL or other energy industry association committees:
 

|                                      |                    |
|--------------------------------------|--------------------|
| President/Directors of CAPL/AAPL     | 10 credits/yr      |
| CAPL Annual Conference               |                    |
| Chairman                             | 10 credits/yr      |
| Committee Chairman                   | 5 credits/yr       |
| Committee Volunteers                 | 3 credits/yr       |
| CAPL Negotiator Magazine             |                    |
| Senior Editor                        | 10 credits/yr      |
| Committee Volunteers                 | 3 credits/yr       |
| CAPL Education Committee             |                    |
| Chairman                             | 10 credits/yr      |
| Committee Chairman                   | 5 credits/yr       |
| Committee Volunteers                 | 3 credits/yr       |
| CAPL Social Committee                |                    |
| Chairman                             | 3 credits/yr       |
| Volunteers                           | 1 credit/yr        |
| All Other CAPL Committees            |                    |
| Chairman                             | 5 credits/yr       |
| Volunteers                           | 3 credits/yr       |
| CAPL Promotional Booth               | 2 credits/half day |
| CAPP/SEPAC/CSUG Committee Volunteers |                    |
| Chairman                             | 5 credits/yr       |
| Volunteers                           | 3 credits/yr       |

**Note:** All re-certification credits and courses are subject to review and approval by the Certification Committee.

Professional Members who fail to earn sufficient credits over the 5-year re-certification period will lose their certification. The CAPL office will administer the program and track credits earned by Professional Members. However, **the onus is on the Professional Member to submit the required Affidavit for Re-**

**Certification Credits to the CAPL Office.** After the fourth year of the 5-year re-certification period, the CAPL office will advise the Professional Member of the credits earned to date and the required credits needed to be earned to retain Certification. This will be the only reminder given to the Professional Member. Upon the fifth anniversary, the Certification Committee will advise the Professional Member by letter of the status of re-certification.

**B. Exceptions Due to Longevity & Experience (Effective January 1, 2006)**

All Professional Members aged 55 or over and with a minimum of 25 years of practical experience as a landman (as well as all CAPL Life Members) will be exempted from the re-certification requirements. All Professional Members will be subject to the above re-certification requirements until they have either become a CAPL Life Member or reached the age of 55 years and have a minimum of 25 years practical experience as a landman.

**C. Five (5) Year Re-Certification Cycle**

**CAPL Professional (CSL & CML) Designation Renewal Cycle**

- Members who become a CSL or CML in the 1<sup>st</sup> 4 years of the renewal cycle are subject to full requirements while those who gain their certification in the last year only need to get 6 course credits in addition to Professional Ethics.

**CAPL Professional (PSL® & P.Land®) Designation Renewal Cycle**

| <u>Recertification year</u> | <u>Total Required Credits</u> | <u>Min. Course Credits</u> | <u>Ethics/ Req'd</u> |
|-----------------------------|-------------------------------|----------------------------|----------------------|
| 1st yr (2014)               | 50                            | 30                         | Y                    |
| 2nd yr (2015)               | 40                            | 24                         | Y                    |
| 3rd yr (2016)               | 30                            | 18                         | Y                    |
| 4th yr (2017)               | 20                            | 12                         | Y                    |
| 5th yr (2018)               | 10                            | 6                          | Y                    |

- The 1st year of the re-certification renewal cycle commences on January 1, 2014 and the 5 years is calculated thereafter.
- This chart indicates requirements for those obtaining their professional designations within the cycle.
- Members who gain a professional designation are subject to the prorated requirements depicted by years 1 through 5. 5th year requirements would only pertain to those who gain designation prior to June 30th. Otherwise, those who gain a designation after the mid -year point will simply roll over to the next years requirement.

**9. FEES**

- **Please Contact the CAPL office for the Current Fee Schedule.**
- \* The Professionalism Manual may also be acquired by CAPL members not applying for Certification.
- NOTE: Please add GST to all fees.

**10. APPLICATIONS**

Forward all applications to the CAPL office. Applications are to include:

- Application Form – Complete
- Resume
- Application Fee
- Sponsors -All Applicant Sponsor Forms – Complete

Please note: Applications will not be forwarded to the Certification Committee for review until receipt of complete package as described above.

**11. FORMS, CHARTS AND QUESTIONS**

All forms and charts are available and can be downloaded from the Professional Designation page on our website [www.landman.ca](http://www.landman.ca). Any comments, suggestions, feedback, etc. are welcome and may be directed to the Director of Professionalism at the CAPL office.