2014 PLANO NGL Seminar

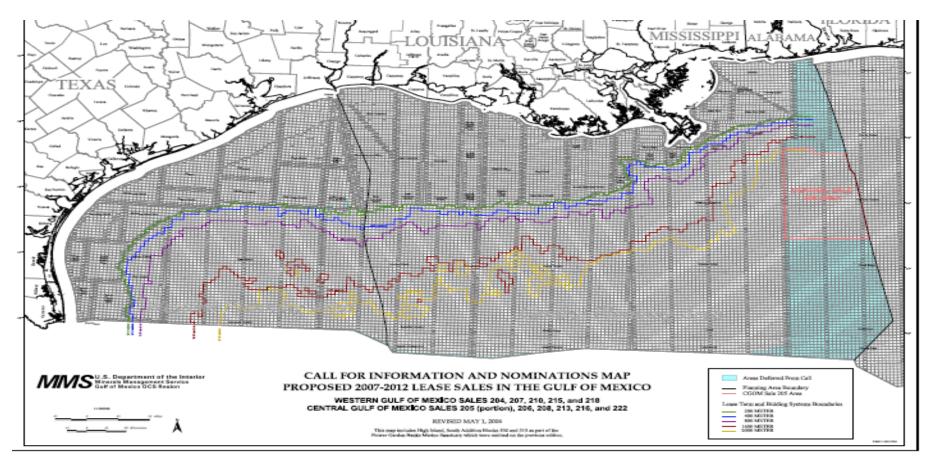
New Orleans Hub Club & Pelicans Game Monday, Jan 13, 2014

Using the BOEM/BSEE and <u>www.ocsbbs.com</u> websites to research and run title on OCS Leases located in the OCS Gulf of Mexico (Federal Lands)

- Non-Required Filings (NRF)
- Lease File Documents (LFD)
- Due Diligence from a Field and In-house Perspective

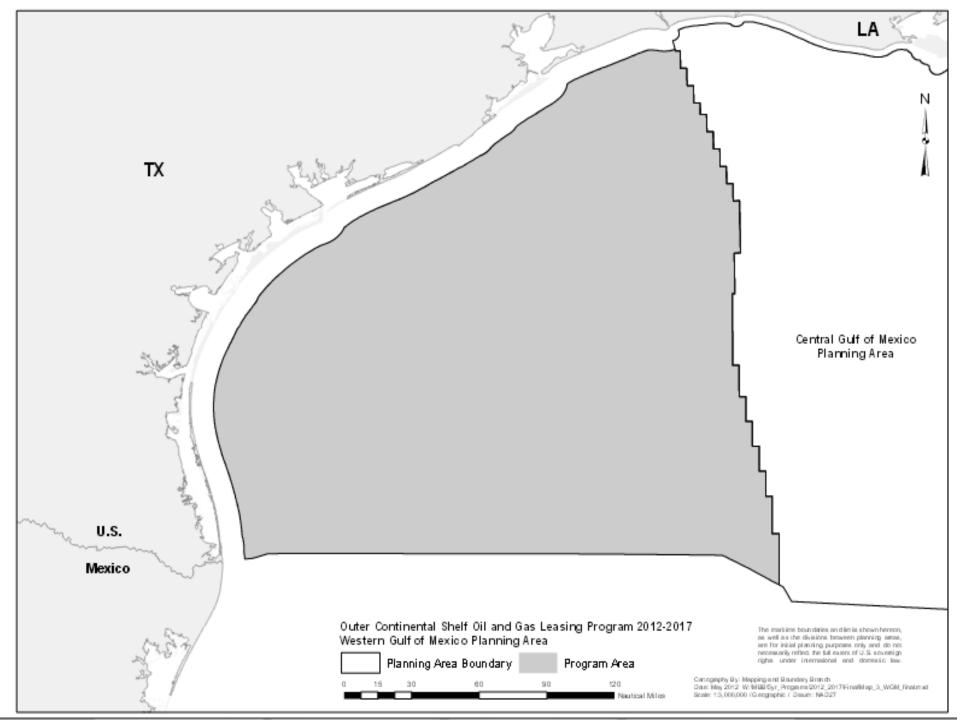
By: Benjamin J. Waring, JD, CPL (Waring & Associates and OCS BBS) Diane Mayo, Chevron USA

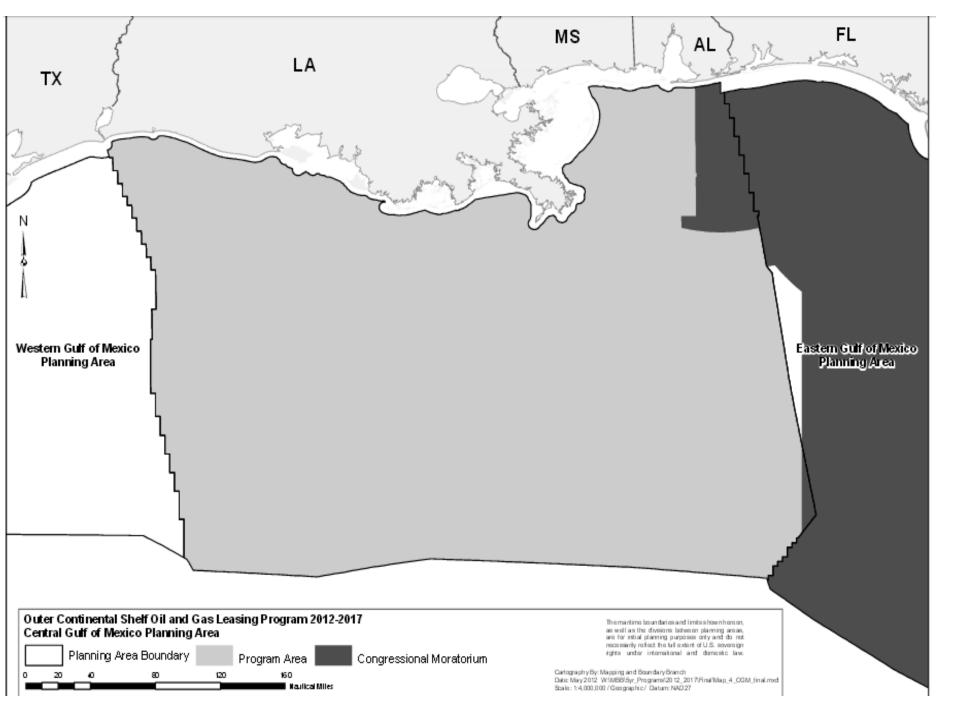
BOEM Proposed 2007-2012 Map



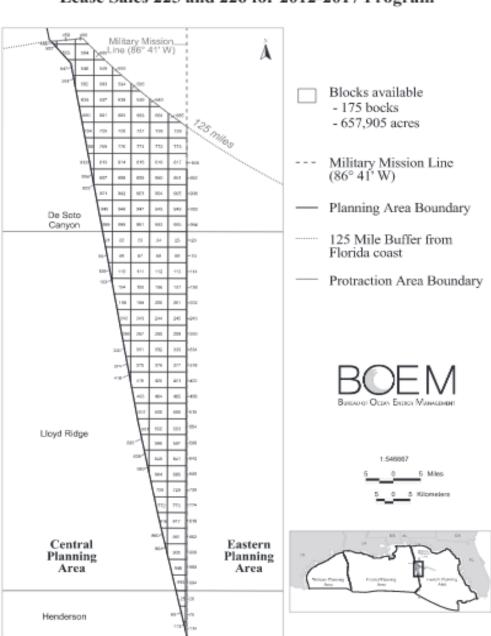
Future Lease Sales:

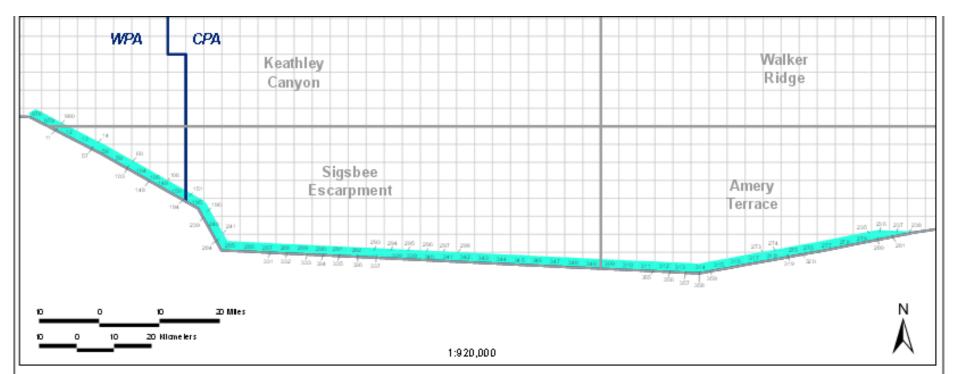
BOEM sales 231 & 225 - March 19, 2014 (New Orleans, Superdome)





CALL FOR INFORMATION AND NOMINATIONS MAP Eastern GOM Planning Area Lease Sales 225 and 226 for 2012-2017 Program



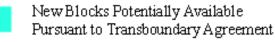


CALL FOR INFORMATION AND NOMINATIONS MAP

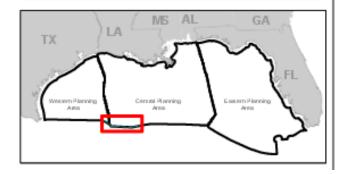
Central Planning Area Lease Sales 231, 235, 241, 247

Western Planning Area Lease Sales 233, 238, 246, 248





- 89 blocks
- 158,584 acres
- Planning Area B oundary
- Protraction Area Boundary

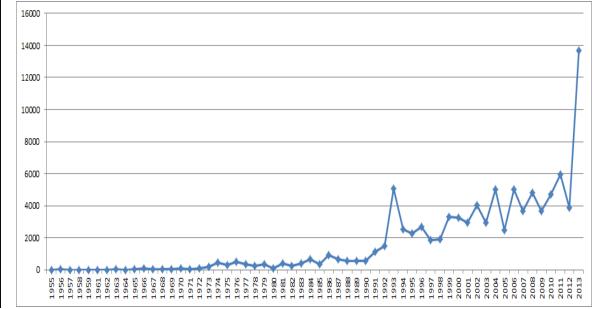


Non-Required Filings (NRF) by Year

1955	13	1974	454
1956	37	1975	295
1957	1	1976	498
1958	2	1977	373
1959	6	1978	261
1961	3	1979	359
1962	8	1980	119
1963	30	1981	387
1964	15	1982	226
1965	69	1983	400
1966	109	1984	656
1967	24	1985	353
1968	40	1986	904
1969	66	1987	646
1970	99	1988	571
1971	67	1989	563
1972	82	1990	569
1973	173	1991	1118
1974	454	1992	1489

1992	1489
1993	5061
1994	2530
1995	2265
1996	2662
1997	1840
1998	1904
1999	3303
2000	3267
2001	2924
2002	4031

2003	2947
2004	5025
2005	2500
2006	5031
2007	3669
2008	4838
2009	3687
2010	4729
2011	5937
2012	3864
2013	13708



Sample Parish Run Sheet (Indices)

RUN SHEET LISTING OF NAMES, DATES AND INDICES FOR IBERIA PARISH, LOUISIANA

ST 205

NAME / ENTITY	Beginning Date	Ending Date	Vendor	Vendee	Mortgagor	UCC	Civil Suit/ Plaintiff
Shell Offshore, Inc.	01/01/1971	09/10/2003	Х	Х	X	Х	Х
SOI Royatties, Inc.	10/01/1984	09/10/2003	X	X	X	X	X
Shell Frontier Oil & Gas, Inc.	10/01/1994	09/10/2003	X	X	X	X	X
Transworld Exploration & Production, Inc.	03/01/2003	09/10/2003	Х	Х	Х	Х	×
OPERATORS: (10 year Lien check (*) in Mortgages, UCC and corporations/partnerships)							
Transworld Exploration & Production, Inc.	05/22/2003	09/10/2003			Х	Х	X

^(*) If Limited Abstract, search is from limited abstract start date.

OCS Document Filing Issues

The first solution

Get the President (or the BOEM Director) to Draw the State Jurisdictional Lines pursuant to OCSLA,

and

Get the individual bordering states to extend the boundaries of their parishes and counties to the Federal line. (Louisiana has already done this.),

and

Create a database that links every OCS block to an "official" parish or county so that finding the appropriate filing place is as easy as looking at a map of the GOM or entering a block number into a computer.

OCS Document Filing Issues

The second solution (Preferred)

Change the Public Records Doctrine of each Gulf State to make filings of OCS documents at the MMS binding on third party purchasers of that state

and

Make the MMS Non-Required Filings Required (but not reviewable)

and

Get the President (or the MMS Director) to Draw the State Jurisdictional Lines pursuant to OCSLA (to solve state jurisdictional issues for other disputes)

OCS Document Filing Issues

The result

The Result – Title Examiners and Lawyers and Landman have a clear solution to an age old problem about where to look for and file documents affecting the real title to OCS leases.

and

Industry will save gobs of \$.

Non-Required Filings (NRF) Differences between the MMS and the OCS BBS website

BOEM Search Screen Data last updated on 1/7/2014 1:55:51 PM (CST) and will be updated when new ADJUD documents become available. Select Options Using the Checkboxes Click the Links for Help on Each Selection Lease Number: Doc Type: Non-Required Data Set: Doc Date: (MM/DD/YYYY) From: 1/8/2014 1/8/2014 Imported Date: (MM/DD/YYYY) From: 1/8/2014 To: 1/8/2014. To: adi9999999 Bar Code ID: From: adj0000001 Lease Number • Sort Results by: Results Per Page: Order: INCR

Additional search fields on the OCS BBS

- 1. Area/Block
- 2. Grantor/Grantee
- 3. Executive Dates
- 4. Effective Dates

OCS BBS Search Screen

NRF Scanned Documents Disclaimer/Terms of Use
Find an image by entering one of the first three fields below:
Lease # (5 digits only)
Area/Block (eg: SM141) and/or
Enter all or part of a party name
Find as a
 ✓ Grantor and/or ✓ Grantee Please Read
Refine your search by using these additional fields:
Type ALL TYPES 🔻
Sort by File Dates or
Execute Dates or
Effective Dates between
Start 1/1/1955 (MM/DD/YYYY) and
End 01/08/2014 (MM/DD/YYYY)
Search

NRF Output Screen Differences

MMS

File	Download								
Lease Number Doc Type Doc Date Data Set Imported File Dow Date Link									
123765	Pages(1-2)								
98766	Pages(1-3)								
229131	Pages(1-6)								
	Size 123765 98766								

Additional search fields on the OCS BBS:

- 1. Area/Block
- 2. Grantor/Grantee
- 3. Executive Dates
- 4. Effective Dates

BOEM total NRF entries - 89,831 OCS BBS total NRF entries - 96,807 Difference 6,976

OCSBBS

	Lease: 02885 From: 1/	on-required Filings Scan 1/1955 To: 4/18/2007 3 (Sorted by File Date)				Print Listing					
	For info in the Scanned Documents Database module, call (504) 733-3117 or <u>email us</u> . Click the <u>View</u> link on the left to see the document below.										
Doc #	Dates	Document Name	Lease	<u>ArBlk</u>	#Pgs						
		Grantor		Grantee							
1 - <u>View</u>	Eile Date: 12/22/2006 Executed: 12/14/2006 Effective: 12/13/2006	Mortgage, Collateral Assignment, Security Agreement and Financing Statement	Mortgage	02885	SM141	Waring & Associates Corporation	31				
	Grantor: GIL Resources,	Grantee: Worth National Bank;									
2 - <u>View</u>	File Date: 9/22/2006 Executed: 6/15/2006 Effective: 4/1/2006	Assignment of Overriding Royalty Interest	OVERRIDING	02885	SM141	Apache Corporation	5				
	Grantor: BP Exploration	& Production Inc.;	Grantee: Apache Corporation;								
3 - <u>View</u>	File Date: 7/12/2005 Executed: 5/25/2005 Effective: 8/31/2004	Assignment of Overriding Royalty Interests	Overriding	02885	SM141	Gordon Arata McCollam Duplantis & Eagan, LLP	8				
	Grantor: GIL Energy, Inc	Grantee	Grantee: GIL Resources, Inc.;								

NRF errors encountered in the database

NRF Error Log

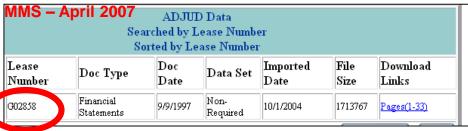
				; MMS				I		
mport	Date			Assigned	MMS Assigned		Correct			
Date	Discovered	By	PDF#	Lease#	Doc.Type	Error:	Lease#	Sent To:	Sent By:	Corrected
						2 documents scanned as one. 1st doc missing		Linda Kilday		
3/9/2007	3/22/2007	Dee	59451	G27941	OVERRIDING	signature page. 2nd document is for 33 leases		3/23/07	Dee	
						Should also include: G27957 & G29958, Scanned to		Linda Kilday		
3/9/2007	3/23/2007	Dee	59452	G27954	OVERRIDING	one lease, should be 3 leases.		3/23/07	Dee	
								Linda Kilday		
3/8/2007	3/23/2007	Dee	59368	G05052	OVERRIDING	File Date wrong, should be 2.8.07		3/23/07	Dee	
								Linda Kilday		
3,6,2007	3/23/2007	Dee	59367	G05052	OVERRIDING	File Date wrong, should be 2.8.07		3/23/07	Dee	
								Debbie Armond		
3/6/2007	3/26/2007	Dee	52152	G22173	; OVERRIDING	Scanned to wrong lease no.	G22773	3/27/07	Dee	
						45.0		B.111 A		
0.0.0007	0.000007	D	E0.44E	000051	OLEDDIDING	1) Scannedto wrong lease no. 2) Should also be	007054	Debbie Armond	D.,	
3/9/2007	3/26/2007	Dee	59446	G22654	OVERRIDING	scanned to G27917 & G27941	G27654	3/27/07	Dee	yes
								L		
		_	F0.400			E1 B		Debbie Armond		
3/8/2007	3/26/2007	Dee	59426	627234	UVERRIDING	File Date wrong, should be 1/30/07		3/27/07	Dee	
3/6/2007	4/2/2007	Dee	59373	G07199		File Date Wrong, should be 2/6/07	G15852			
3/6/2007	4/2/2007	Eleen	59386	G15853		Scanned to wrong lease no.	610802			
3/6/2007	4/2/2007	Eleen	52116	601073		file date wrong should be 12/19/06 NOT 12/13/06				
3/6/2007 3/6/2007	4/2/2007 4/2/2007	Eleen	52118 52119	G01449 G01989		file date wrong should be 12/19/06 NOT 12/13/06				
3/6/2007	4/2/2007	Eleen	52444	602136		file date wrong should be 12/19/06 NOT 12/13/06				
3/6/2007		Eleen	52111		MURIDADE	file date wrong should be 12/19/06 NOT 12/13/06 file date wrong should be 12/19/06 NOT 12/13/06				
3/6/2007	4/2/2007 4/2/2007	Eleen Eleen	52110 52120	G2255 G02934						
3/6/2007	4/2/2007	⊟leen ⊟leen	52121	002934		file date wrong should be 12/19/06 NOT 12/13/06 file date wrong should be 12/19/06 NOT 12/13/06				
3/6/2007	4/2/2007	Eleen	52122	004246		file date wrong should be 12/19/06 NOT 12/13/06				
3/6/2007	4/2/2007	Eleen	52112	G10638		file date wrong should be 12/19/06 NOT 12/13/06				
3/6/2007	4/2/2007	Eleen	52117	G16470		file date wrong should be 12/19/06 NOT 12/13/06				
3/6/2007	4/2/2007	Eleen	52115	G21592		file date wrong should be 12/19/06 NOT 12/13/06		·		
3/6/2007	4/2/2007	Eleen	52114	G21686		file date wrong should be 12/19/06 NOT 12/13/06				
3/6/2007	4/2/2007	Eleen	52113	G24888		file date wrong should be 12/19/06 NOT 12/13/06				
3/6/2007	4/2/2007	Eleen	52123	G27181		file date wrong should be 12/19/06 NOT 12/13/06		· •		
3,6,2007	4/2/2007	Eleen	52124	G27182		file date wrong should be 12/19/06 NOT 12/13/06				
01012001	HEIEDDI		02121		1000110702	include widing stoud be 12/10/00/110/112/10/00				
						2 documents scanned as one. 1st doc missing				
						signature page. 2nd document is for 33 leases,				
						however, all but 2 leases have been scanned to the 2nd				
						doc(pg6-14 ofirmage), G27941 and G27894. (Note: I				
						have sent an error message re: this image previously on				
						3/23/07, but have since revisited it with these new, more				
3/9/2007	4/12/2007	Dee	59451	G27941		precise changes.)				
-7012001		200	00 101	; 021041	. 5	he area aroughany		:		

NRF COMMON ERRORS

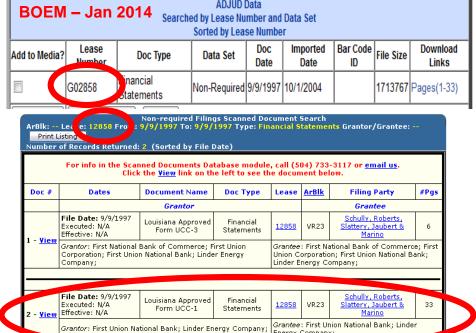
- 1. One or more OCS Leases are not indexed by the MMS, linking it to a certain document. Omitted by MMS, added by www.ocsbbs.com.
- 2. MMS Index Document Date differs from the actual file stamp on the scanned document-File date stamp used in lieu of MMS electronic document date and added to the www.ocsbbs.com.
- 3. Cover letter scanned with no corresponding document- Omitted by MMS, corresponding document, when located, added by www.ocsbbs.com
- 4. Pages of scanned document missing in whole or part.
- 5. Cover letter and corresponding document are stamped on the same day, but MMS scanned as two separate documents.
- 6. MMS file date stamp on the Cover Letter differs from the date on the corresponding document, and is indexed by the MMS on two separate days, linked by www.ocsbbs.com

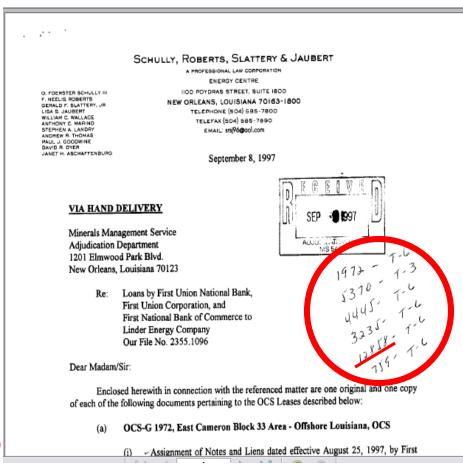
One type of Error in the BOEM NRF database

This document was indexed to G02858, but should have been G12858.



ADJUD Data



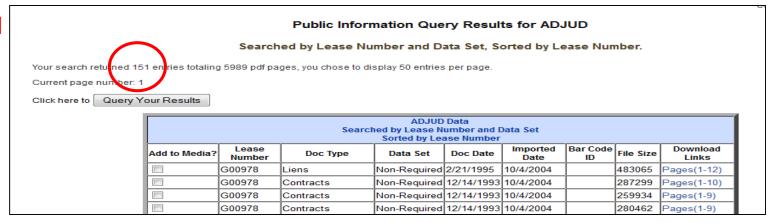


The OCS BBS has corrected its database as these are found and report the errors to the MMS as well.

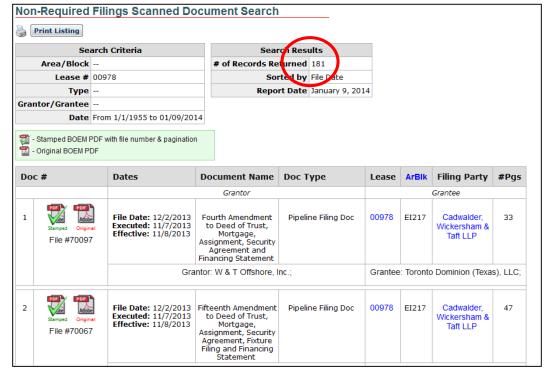
Another example error found in the NRF database

Lease G01898 shows 151 entries on the BOEM site and 181 on the OCS BBS. We captures the missing leases not indexed.

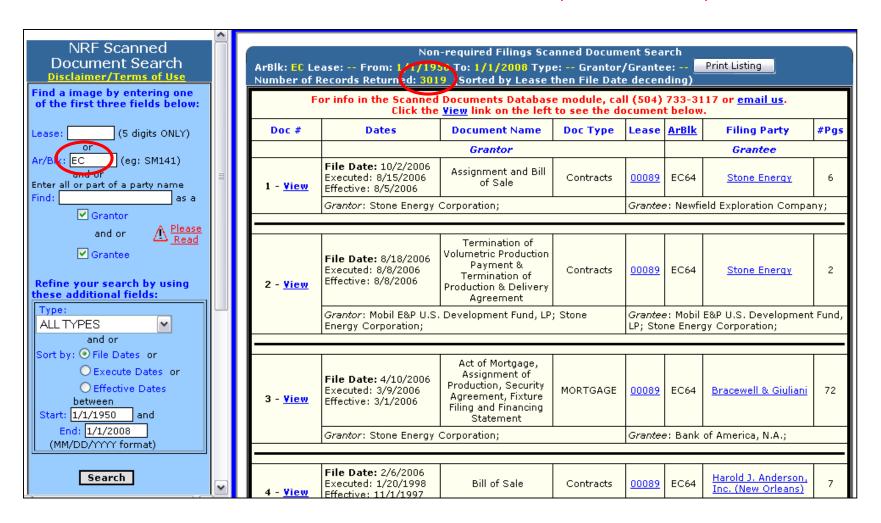
BOEM



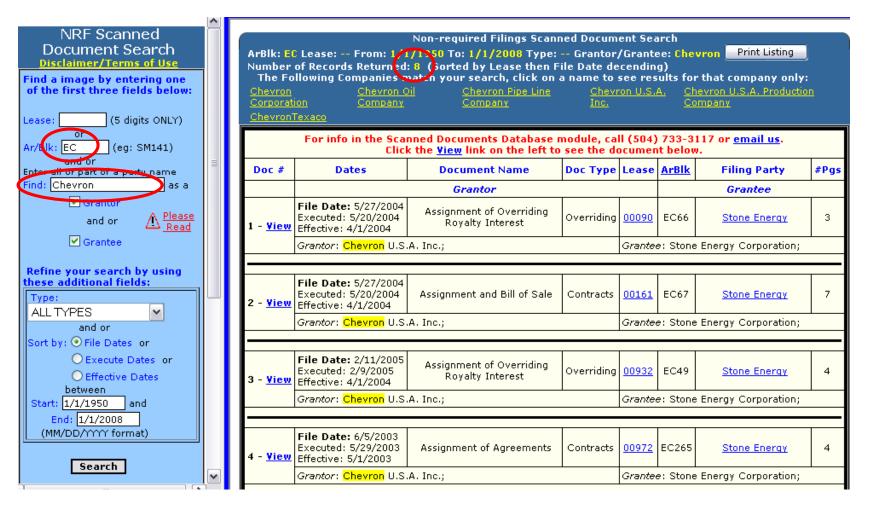
OCS BBS



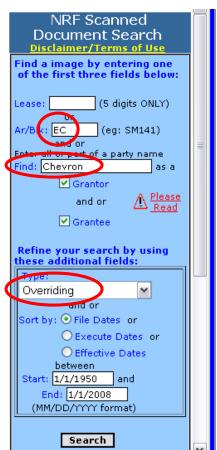
OCS BBS example how to easily narrow your NRF search by entering more criteria after each search Search EC in the area/block field, returns 3,019 results

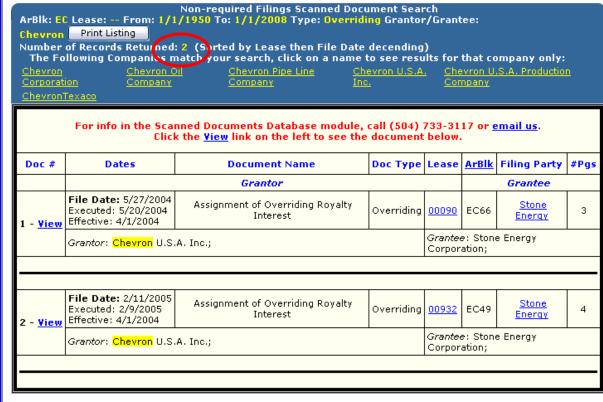


OCS BBS example how to easily narrow your NRF search by entering more criteria after each search Search "EC" in the area/block field, returns 3,019 results Now enter "Chevron", narrows to 8 results



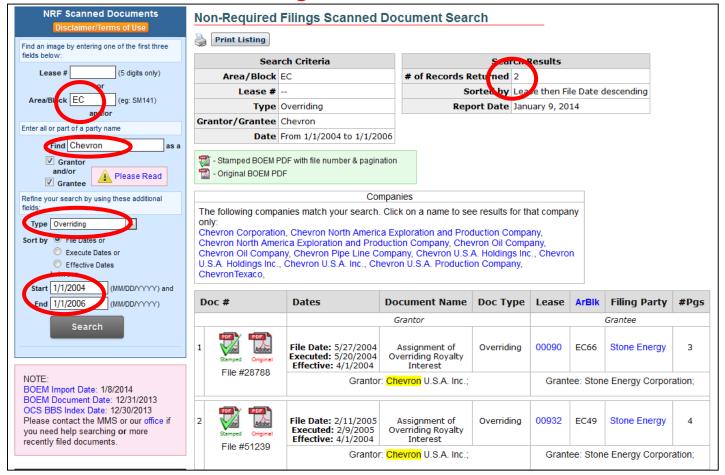
OCS BBS example how to easily narrow your NRF search by entering more criteria after each search Search "EC" in the area/block field, returns 3,019 results Now enter "Chevron", narrows to 8 results Now choose the "Overriding" type, narrows to 2 results





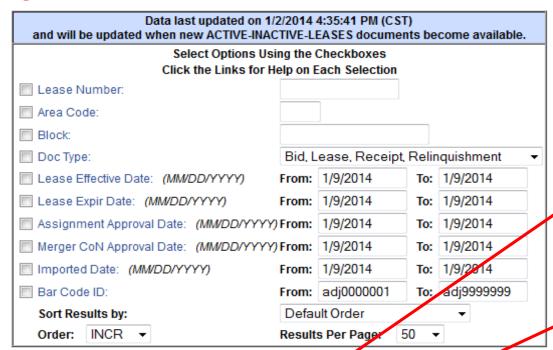
OCS BBS example how to easily narrow your NRF search by entering more criteria after each search

Searching "EC" in the area/block field narrows to 5,567 records You can also type "Chevron", narrows results to 70 records Now choose the "Overriding" type, narrows to 19 results Now enter date range 1/1/2004 to 1/1/2006, 2 result found.



Lease File Documents (LFD) Differences between the BOEM and the OCS BBS website

BOEM



Additional search fields on the OCS BBS

- 1. Grantor/Grantee
- 2. Document File Date
- 3. Document Effective Date

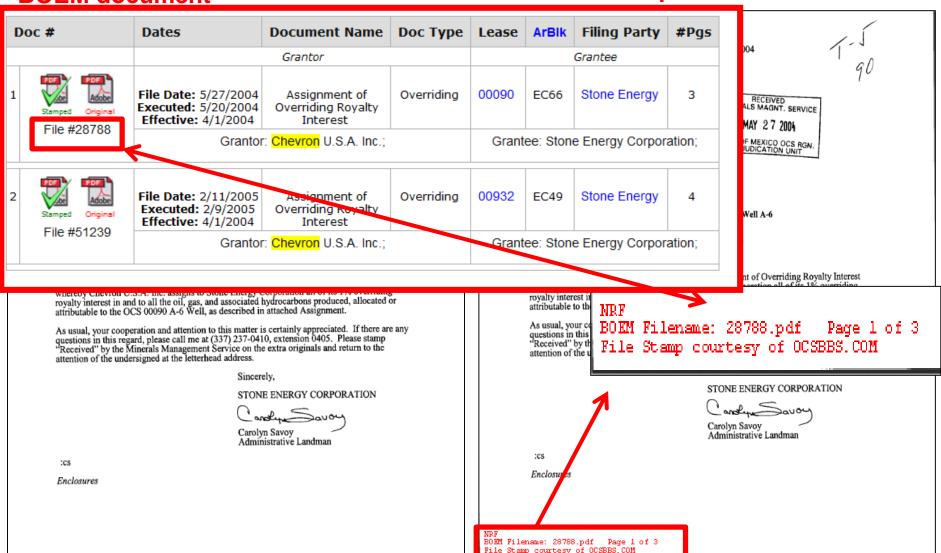
OCS BBS



OCS BBS Index easily ties to Doc ID

BOEM document

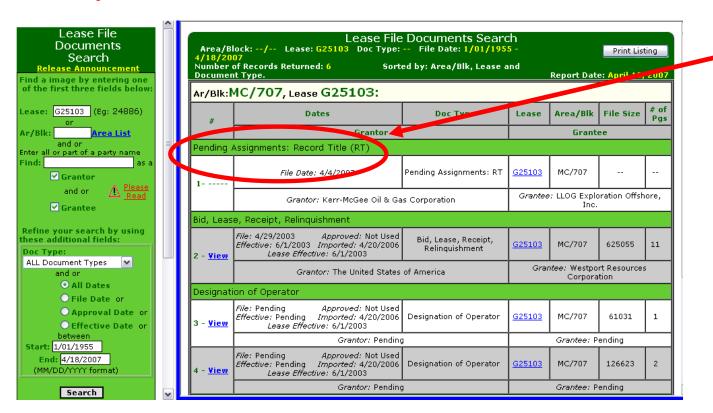
OCS BBS stamped document



LI D'Output available on the OCO DDO

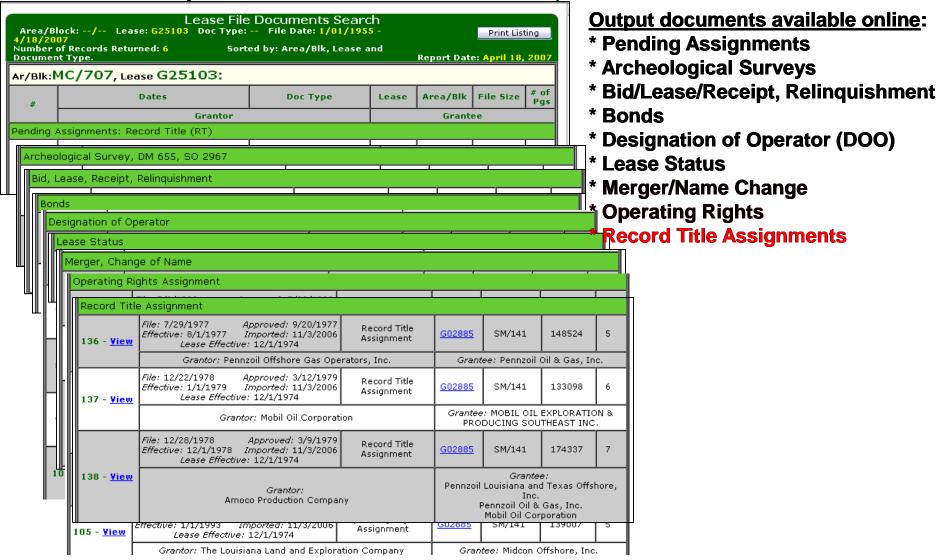
Output available online:

- * Pending Assignments (not available on BOEM website, but shown on OCS BBS)
- * Archeological Surveys
- * Bid/Lease/Receipt, Relinquishment
- * Bonds
- * Designation of Operator (DOO)
- * GOMESA Credits
- * Lease Status
- * Merger/Name Change
- * Operating Rights
- * Record Title Assignments
- * Rejected Leases



Available on LFD to show Assignments @ BOEM, but not yet approved by BOEM.

LFD output on the OCS BBS, lease G25103



Questions ??