

Adjudication Tips:

**\*\* IMPORTANT NOTICE \*\***

**Pursuant to a Final Rule published in the Federal Register on August 25, 2008, effective September 24, 2008, the MMS will not accept checks, money orders, or cashier's checks for payment of fees. The Final Rule also adjusts certain cost recovery fees for inflation. The Final Rule may be found at:**

**<http://frwebgate1.access.gpo.gov/cgi-bin/waisgate.cgi?WAISdocID=959266398360+10+0+0&WAISaction=retrieve>**

**REPEAT OF PRIOR ADJUDICATION TIPS**

- **Titles of Authorized Signatories:**
  - An authorized signatory must execute documents using their name exactly as it appears in the qualification files;
  - An authorized signatory must execute documents using a title that they are recognized as having pursuant to the qualification files;
  - The title that an authorized signatory uses when executing documents filed with the Adjudication unit must appear exactly as it appears in the qualification files and must be a title empowered to execute the type of document being submitted, pursuant to the company resolution contained in the qualification files;
  - If an authorized signatory has multiple titles that are all empowered through the resolution, it is not necessary that they use every title, as long as they use one that is empowered to execute the type of document being submitted.; and
  - If an authorized signatory has multiple titles but only one is empowered through the resolution, they need only use the title that is empowered to execute the type of document being submitted.
  
- **Designations of Operator:**
  - Pursuant to NTL No. 2007-G24, effective September 24, 2007, the MMS no longer approves Designations of Operator that involve designating an operator for individual wells or multiple wells. When the MMS GOMR approves a designation of operator change, the new designated operator becomes responsible for all wells, platforms, and lease term pipelines within the described lease or aliquot part(s). If a lease has an operator that in the past was designated and approved to operate individual well(s), it is considered "Grandfathered" in until new designation of operator forms are filed (whether filed by new interest owners in connection with an assignment, designating the same operator, or as part of a change in the designation of operator). In both cases, the operator must be designated by describing the aliquots associated with the well(s) and any depth restrictions, if applicable, but should not describe any wells.
  
  - If an operator is already approved to operate a portion of a lease (i.e., the SE $\frac{1}{4}$ ) and the lessee(s) decide that they want said operator to operate an additional portion of the lease (i.e., the SW $\frac{1}{4}$ ), the lessees must submit new designation of operator forms designating said operator for the entire S $\frac{1}{2}$  together with the required service fee. This is what is commonly referred to

as an "all-inclusive" DOO in that it sets forth everything that a particular operator is designated to operate.

- **Effective July 1, 2008, all forms submitted to the Adjudication Unit for processing that include a lease number, must identify the lease number exactly as it appears on the lease instrument. It should be identical to the lease instrument with regard to either "OCS" or "OCS-G" and with regard to the number of leading zeros, if any. Forms submitted to the Adjudication Unit for processing that contain a lease number that is not identical to the lease number on the lease instrument will be deemed to be incorrect and will be returned to the submitter. When said incorrect forms are resubmitted to the MMS, additional service fees will be required, if applicable, and the forms will be placed in line for processing based on the date they are resubmitted. Lease instruments for active leases are available for review on the MMS website at <https://www.gomr.mms.gov/WebStore/pimaster.asp?appid=11>.**
- **Please be advised that effective immediately, the official policy of the Adjudication Unit is that an incomplete or incorrect action may not be held for correction or supplementation. Every incomplete or incorrect action must be returned to the submitter for correction or supplementation. When the returned actions are resubmitted, they will be placed at the end of the line. There will be no exceptions, regardless of past practices. This policy is implemented in order to streamline the processing of all actions filed with the Adjudication Unit.**
- **Mergers, Changes-of-Name and Business Conversion:**  
**Please be reminded that each qualified entity is responsible for notifying the Adjudication Unit of any merger, change-of-name, or change of business form. The required documents should be filed with the Adjudication Unit after filing the change or action with the Secretary of the State or other authorized official in the State of original registry. All required documents must be filed together as a packager or the filing will be returned unapproved. For information regarding the required documents for a merger, change-of-name or business conversion, please reference the Oil and Gas Leasing Procedures Guidelines at:**  
**<http://www.gomr.mms.gov/PDFs/2001/2001-076.pdf>**
- **Our policy is to send all processed actions (assignments, DOOs, bond acceptance letters, qualifications, etc.) to industry via the U.S. mail. This policy is in place to ensure equal treatment for all entities doing business with the Minerals Management Service (MMS) as well as to avoid interruptions to the normal workflow. Requests for faxing or e-mailing of processed actions cannot be granted. However, we can accommodate requests for overnight delivery of processed actions if such handling is requested in writing at the time the action is filed with the MMS and if a pre-paid, self-addressed overnight envelope is included with the action when it is filed.**
- **Non-Required Filings:**

**All documents submitted for filing in the "Non-Required" records (including documents involving overriding royalties, production payments, and net profits) must be accompanied by the required service/filing fee.**

**When submitting non-required documents to be filed for record purposes please submit a cover letter that includes the following information:**

- 1. The type of document(s);**
- 2. A list of leases affected (in numerical order); and**
- 3. Parties involved.**

**Submittals that do not include the information set forth above, may be returned.**

- **Service Fees on Resubmissions:**

**When resubmitting a package that was returned as "Incorrect," you must include the required service/filing fee or the package will again be returned to you.**

**When resubmitting a package that was returned as "Incomplete," you must include the receipt containing the "Incomplete" stamp that was included in the returned package in order to avoid paying additional service/filing fees. Packages returned as "Incomplete" that are resubmitted without the receipt containing the "Incomplete" stamp will be returned.**

- **Corrections: Utilizing liquid paper on any document which requires last minute corrections is acceptable.**
- **Assignments and Related OSFR Forms: Please note that assignments of Record Title, Operating Rights, and Pipeline Rights-of-Way will be returned, unapproved, if all required OSFR forms are not submitted.**

**Announcement: We wish to advise our customers that Mr. Steve Waddell will be giving a full day presentation on OCS Leasing and Adjudication Processes at the 2008 NALTA Conference in Orlando, Florida on Wednesday, September 24, 2008. If you would like to attend, the registration form is located at [www.nalta.org](http://www.nalta.org) or you may contact Leslie Hall, Registration Chairman at EnCana Oil & Gas (USA) Inc. by email at [lesley.hall@encana.com](mailto:lesley.hall@encana.com) or phone: (720) 876-3722.**