

1
00:00:00,000 --> 00:00:20,000
(Music Playing)

2
00:00:20,000 --> 00:00:26,633
To adjudicate the scenario in exercise 1, you'll use
-

3
00:00:26,633 --> 00:00:31,466
The Approved Lease and Operating Rights Check
List from the class exercise.

4
00:00:31,466 --> 00:00:35,732
Additional Exercise 1 Documents that are
provided:

5
00:00:35,733 --> 00:00:42,566
CBS Account Receipt, Operating Rights Transfer,
A Serial Register Page

6
00:00:42,566 --> 00:00:50,532
A Blank Lease Interest Worksheet, And the last
Lease Interest Worksheet for the lease

7
00:00:50,533 --> 00:00:57,233
Assumptions are: The required numbers of copies
and original signatures have been submitted.

8
00:00:57,233 --> 00:01:00,899
The lease is in a non-producing status.

9
00:01:00,900 --> 00:01:08,466
Pause this session while you complete the
exercise and restart when you're ready to see how
well you did.

10
00:01:09,666 --> 00:01:09,699
Pause this session while you complete the
exercise and restart when you're ready to see how
well you did.

11

00:01:09,700 --> 00:01:17,033

Let's review your answer: You had a transfer of 25% interest from B.C. Discovery Company

12

00:01:17,033 --> 00:01:23,533

to Grog Hairy in only a portion of the lease. Was the transfer approvable?

13

00:01:23,533 --> 00:01:30,666

It was an approvable transfer. The existing operating rights are for the entire lease,

14

00:01:30,666 --> 00:01:35,332

and this transfer was for only a portion of the lease,

15

00:01:35,333 --> 00:01:41,499

so you would have to split up the legal description into two tracts to reflect the transfer.

16

00:01:41,500 --> 00:01:48,866

Let's review the worksheet. The portion of the lease not involved in the transfer would remain the same

17

00:01:48,866 --> 00:01:54,666

and not change which is shown on the left side of the worksheet.

18

00:01:54,666 --> 00:01:59,799

The portion of the lease that you approved the transfer on would reflect for all depths,

19

00:01:59,800 --> 00:02:10,333

Peter's Oil Company holds 50%, B.C. Discovery Co. holds 25% and Grog Hairy holds 25% interest,

20

00:02:10,333 --> 00:02:18,699

as shown on the right side of the worksheet. What did you show as the effective date?

21

00:02:18,700 --> 00:02:24,766

If you show September 1, 2012, you are correct.

22

00:02:24,766 --> 00:02:35,266

Did you remember to add Grog Hairy to the interest relationship screen with 0% interest and action code 933 to LR2000?

23

00:02:35,266 --> 00:02:40,699

Did your worksheet match mine? I'm sure it did.

24

00:02:47,433 --> 00:02:53,766

Very Good. Now let's try another transfer. To adjudicate the scenario in Exercise 2,

25

00:02:53,766 --> 00:02:59,999

Use - The Approved Lease and Operating Rights Check List from the class exercise.

26

00:03:00,000 --> 00:03:04,500

Additional Exercise 2 Documents that are provided:

27

00:03:04,500 --> 00:03:10,133

A CBS Account Receipt, An Operating Rights Transfer, A Serial Register Page

28

00:03:10,133 --> 00:03:17,633

A Blank Lease Interest Worksheet and, The last Lease Interest Worksheet for the lease

29

00:03:17,633 --> 00:03:25,066

Again, Assumptions are: The required numbers of copies and original signatures have been submitted.

30

00:03:25,066 --> 00:03:28,832

The lease is in a non-producing status.

31

00:03:28,833 --> 00:03:35,666

Pause this session while you complete the exercise and restart when you're ready to see how

well you did.

32

00:03:36,466 --> 00:03:42,766

Let's go over your answer: You had a transfer from B.C. Discovery Company

33

00:03:42,766 --> 00:03:54,066

transferring 30% of their rights from the depths of 3,125 feet to 5,500 feet in a portion of the lease.

34

00:03:54,066 --> 00:04:02,432

Did you notice the limit of the transfer to depths? Did you also notice that the box for more than one transferee was checked?

35

00:04:02,433 --> 00:04:09,399

The 30% is being divided between Grog Hairy and Wiley Scholar of 15% each.

36

00:04:09,400 --> 00:04:16,366

Was the transfer approvable? It was an approvable transfer.

37

00:04:16,366 --> 00:04:23,766

Let's review the worksheet. The portion of the lease not involved in the transfer would remain the same

38

00:04:23,766 --> 00:04:28,232

and not change which is shown on the right side of the worksheet.

39

00:04:28,233 --> 00:04:33,366

The portion of the lease that you approved the transfer on would reflect the change of ownership

40

00:04:33,366 --> 00:04:47,966

for the 3,125 feet to 5,500 feet depth to include Grog Hairy and Wiley Scholar as shown on the left side of the worksheet.

41

00:04:47,966 --> 00:04:55,166

What did you show as the effective date? If you

show January 1, 2013, you are correct.

42

00:04:55,166 --> 00:05:01,599

Did you remember to add Wiley Scholar to the interest relationship screen with 0% interest

43

00:05:01,600 --> 00:05:10,033

and action code 933 to LR2000? Since Grog Hairy was already there, you do not need to add him again.

44

00:05:10,033 --> 00:05:13,366

How did you do?

45

00:05:17,533 --> 00:05:23,466

For Exercise 3, we have an assignment of record title filed for the lease.

46

00:05:23,466 --> 00:05:29,666

Please prepare the lease interest worksheet showing the information after approval of the assignment.

47

00:05:29,666 --> 00:05:36,232

To adjudicate the scenario for exercise 3, Use - The Approved Lease from the class exercise.

48

00:05:36,233 --> 00:05:39,866

Additional Exercise 3 Documents that are provided:

49

00:05:39,866 --> 00:05:45,732

A CBS Account Receipt, A Record Title Assignment, A Serial Register Page,

50

00:05:45,733 --> 00:05:53,233

A Blank Lease Interest Worksheet and the last Lease Interest Worksheet for the lease

51

00:05:53,233 --> 00:05:59,333

Again, the Assumptions are: The required numbers of copies and original signatures have been submitted.

52

00:05:59,333 --> 00:06:03,366

The lease is in a non-producing status.

53

00:06:03,366 --> 00:06:10,999

Pause this session while you complete the exercise and restart when you're ready to view the answers.

54

00:06:12,066 --> 00:06:19,666

Let's go over your answer: You have a 100% assignment of record title interest in the entire lease

55

00:06:19,666 --> 00:06:23,932

from Peter's Oil Company to B. C. Discovery Company.

56

00:06:23,933 --> 00:06:29,033

Do you remember when I talk about severing operating rights?

57

00:06:29,033 --> 00:06:35,499

If you sever your operating rights, then you must file forms, a record title assignment

58

00:06:35,500 --> 00:06:42,933

and a transfer of operating rights. Did Peter's Oil Company sever their rights?

59

00:06:42,933 --> 00:06:49,299

They only severed 50%, the 50% that they retained was not severed

60

00:06:49,300 --> 00:06:53,300

and therefore does not require a transfer of operating rights.

61

00:06:53,300 --> 00:07:01,400

This exercise was to help you realize that an assignment of record title can change the operating rights owner.

62

00:07:01,400 --> 00:07:11,200

Let's review the worksheet. The worksheet reflects that Peter's Oil Company is no longer listed as owning any interest on the lease.

63

00:07:11,200 --> 00:07:18,500

Record Title shows that B.C. Discovery Company holds 100% and the operating rights

64

00:07:18,500 --> 00:07:24,333

that Peter's Oil Company held was added to the interests of B.C. Discovery Company.

65

00:07:24,333 --> 00:07:29,666

Did you remember to add remove Peter's Oil Company from the interest relationship screen for

66

00:07:29,666 --> 00:07:43,999

both record title and operating rights, add B.C. Discovery Company with Record Title interest of 100% and action code 139 to LR2000?

67

00:07:44,000 --> 00:07:50,466

Great Job, you are ready to start processing transfers on your own

68

00:07:52,833 --> 00:08:12,833

(Music Playing)