

CAUSE NO. C-1-PB-14-001245

IN RE: § IN THE PROBATE COURT
§
§ OF
§
TEL OFFSHORE TRUST § TRAVIS COUNTY, TEXAS

**CORPORATE TRUSTEE OF THE TEL OFFSHORE TRUST'S SUPPLEMENTAL
OBJECTIONS TO ATTORNEY AD LITEM'S FEE APPLICATION**

The Bank of New York Mellon Trust Company, N.A., as Corporate Trustee ("the Corporate Trustee") of the TEL Offshore Trust (the "Trust") files this its Supplemental Objection to the Attorney Ad Litem's ("Ad Litem's") September 2016 Fee Application. The Corporate Trustee incorporates by reference its Objection to Attorney Ad Litem's September 2016 Fee Application and supplements with the following additional objections:

I. Supplemental Objections

1. Section 7.03 of the TEL Offshore Trust Trust Agreement (the "Trust Agreement") provides that "[t]he Trustees shall have a lien upon the Trust Estate to secure them for such indemnification and reimbursement and for compensation to be paid to the Trustees." The Trustees' lien has priority over Ad Litem's unsecured demand for attorneys' fees. Granting Ad Litem's demand for his attorney's fees would violate the Trustees' due process rights because the Court would, in effect, be determining the validity and priority of the Trustees' lien without a trial.

2. Further, Ad Litem cannot recover attorneys' fees for asserting a counterclaim purportedly on behalf of persons he has no authority to represent. Ad Litem admits that he has been appointed as attorney ad litem only "for the unit holders of [the Trust] who were served by publication and did not answer or appear in this proceeding...." Ad Litem's First Amended Counterclaim at 1. Yet Ad Litem purports to file his counterclaim "derivatively on behalf of [the

Trust] and *all of its beneficiaries....*” Ad Litem’s First Amended Counterclaim at 1 (emphasis added). Ad Litem has no authority to assert a claim on behalf of beneficiaries other than those beneficiaries who were served by publication and did not answer or appear in this proceeding.

II. Conclusion

For these reasons, the Bank of New York Mellon Trust Company, N.A., as Corporate Trustee, asks that the Court (1) sustain its Objections, and Supplemental Objections, to the Ad Litem’s September 2016 Fee Application; (2) deny the Ad Litem’s September 2016 Fee Application; and (3) award such other and further relief to which the Corporate Trustee may be justly entitled.

Respectfully submitted,

/s/ Craig A. Haynes

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WITHDRAWING ATTORNEYS FOR THE
BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., AS CORPORATE TRUSTEE

CERTIFICATE OF SERVICE

I hereby certify that, on September 23, 2016, a true and correct copy of the foregoing has been served via Texas e-filing and email on Ad Litem, counsel for Ad Litem, Albert Speisman, counsel for RNR Production Land and Cattle, and counsel for Individual Trustees Gary C. Evans, Jeffrey S. Swanson, and Thomas H. Owen, Jr.. I hereby certify that, on September 23, 2016, all other interested parties in this matter will be served in accordance with the Court's Order Directing Method of Service dated January 21, 2016.

/s/ Rachele H. Glazer
Rachele H. Glazer