

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

**IN RE:**

**§ IN THE PROBATE COURT**

**§**

**NO. 1 OF**

**§**

**TEL OFFSHORE TRUST**

**§**

**TRAVIS COUNTY, TEXAS**

**FIRST SET OF INTERROGATORIES FROM THE CORPORATE  
TRUSTEE TO RNR PRODUCTION LAND AND CATTLE**

TO: RNR Production Land and Cattle, by and through its attorney of record, Shannon H., Ratliff, Ratliff Law Firm, P.L.C., 600 Congress Avenue, Suite 3100, Austin, Texas 78701

Pursuant to Rule 197 of the Texas Rules of Civil Procedure, The Bank of New York Mellon Trust Company, N.A. (“The Corporate Trustee”), hereby serves its First Set of Interrogatories to RNR Production Land and Cattle (“RNR” or “You”) in the above-referenced matter. RNR shall serve its answers, which must be signed under oath, within thirty (30) days after service of these interrogatories.

## INSTRUCTIONS

1. These Interrogatories are intended to cover all information in Your possession, custody, or control including, without limitation, all information within the possession, custody, or control of any and all of Your d/b/a's, agents, or any person or entity acting on Your or their behalf, as well as documents in the possession of third parties who have an obligation to provide information at your request.

2. As used herein, the terms "and" and "or" shall be construed either conjunctively or disjunctively as necessary to bring within the scope of each Interrogatory all information that might otherwise be construed to be outside the scope of such Interrogatory.

3. The use of the singular form of any word includes the plural and vice versa as necessary to bring within the scope of each Interrogatory all information or documents that might otherwise be construed to be outside the scope of such Interrogatory.

4. These Interrogatories are continuing in nature, and any additional information discovered or identified by you subsequent to the date of your response, up to and including the time of trial, shall be promptly furnished to the undersigned counsel.

## DEFINITIONS

1. “You,” and “Your” refer to RNR Production Land and Cattle and its representatives, including any account controlled by RNR.
2. “The Trust” refers to the TEL Offshore Trust.
3. “Unit” or “Units” refers to the units of beneficial interest in the TEL Offshore Trust. Each Unit is evidenced by a transferable certificate issued by the Corporate Trustee, Bank of New York Mellon Trust Company, N.A.
4. “Trustees” refers to The Corporate Trustee and the Individual Trustees.

## INTERROGATORIES

**INTERROGATORY NO. 1:** Please state the total number of Units You currently own.

**ANSWER:**

**INTERROGATORY NO. 2:** With respect to each purchase of Your Units, state the following:

- (a) The date of each such purchase;
- (b) The number of Units purchased;
- (c) The price per Unit paid;
- (d) The total consideration paid for each such purchase;
- (e) From whom You purchased the Units, and the identity of any broker.

**ANSWER:**

**INTERROGATORY NO. 3:** With respect to each sale of Your Units, state the following:

- (a) The date of each such sale;
- (b) The number of Units sold;
- (c) The price per Unit received;
- (d) The total consideration for each such sale;
- (e) To whom You sold the Units.

**ANSWER:**

**INTERROGATORY NO. 4:** What do You contend to be 1) the current fair market value of the Units that You own and 2) the fair market value at the time You purchased the Units on a price per unit basis, and what is Your basis for such contentions?

**ANSWER:**

**INTERROGATORY NO. 5:** What do You contend to be the current fair market value of the 20% of the Trust's Net Profits Interest sold to RNR on or about 10/27/2011 at auction for \$1.6M and the 25% of the remaining Net Profits Interest sold to RNR on or about 8/11/2013 for \$1,151,885, and what is Your basis for such contentions?

**ANSWER:**

**INTERROGATORY NO. 6:** What do You contend to be 1) the current fair market value of the Overriding Royalty Interest You own, and 2) the fair market value at the time You purchased the Overriding Royalty Interest, and what is Your basis for such contentions?

**ANSWER:**

**INTERROGATORY NO. 7:** State what damages You claim against the Trustees and/or the Trust, if any, and how You calculate same.

**ANSWER:**

**INTERROGATORY NO. 8:** If You claim any false statement was made to You by any of the Trustees, identify the statement, the person making the statement, the date of the statement, and the content of the statement You claim is false.

**ANSWER:**

**INTERROGATORY NO. 9:** Do You claim any Trustees defrauded You? If so, state the factual basis for such claim.

**ANSWER:**

**INTERROGATORY NO. 10:** Do You contend the May 15, 2009 DeGolyer & MacNaughton report referenced in Your Petition to be a report “as of the end of any year” as referenced in Section 9.01 of the Trust Agreement? If so, why?

**ANSWER:**

**INTERROGATORY NO. 11:** Describe any communications You have had with any of the Trustees, content of the identities, the communication and the persons involved, the communications, and the date of such communication.

**ANSWER:**

**INTERROGATORY NO. 12:** Describe all monies You have received from either:

- A. Trust distributions; or
- B. Payments for the ownership of the Overriding Royalty Interest You purchased.

This interrogatory specifically includes distributions received in 2016 or later.

**ANSWER:**

**INTERROGATORY NO. 13:** Do You contend the Trustees owed You a fiduciary duty before You became a Unit Holder of the Trust? If so, state why and in what way?

**ANSWER:**

**INTERROGATORY NO. 14:** State the factual basis for Your contention in Your Petition that the Corporate Trustee paid itself compensation contrary to the terms of the Trust Agreement and identify what language of the Trust Agreement You contend was not followed.

**ANSWER:**

**INTERROGATORY NO. 15:** Did You have access to the May 15, 2009 Degolyer & MacNaughton report in Chevron's virtual data room before purchasing the Overriding Royalty Interest in 2011?

**ANSWER:**

**INTERROGATORY NO. 16:** Did you have actual or constructive knowledge of the May 15, 2009 DeGolyer & MacNaughton report before purchasing units in May of 2010?

**ANSWER:**

**INTERROGATORY NO. 17:** Did You own any Units in the Trust before 2009 or in 2009?

**ANSWER:**

**INTERROGATORY NO. 18:** Who are the owners of RNR and what form of entity is RNR?

**ANSWER:**

THOMPSON & KNIGHT LLP

Respectfully submitted,

/s/ Craig A. Haynes

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Craig A. Haynes  
State Bar No. 09284020  
craig.haynes@tklaw.com

Rachelle H. Glazer  
State Bar No. 09785900  
[rachelle.glazer@tklaw.com](mailto:rachelle.glazer@tklaw.com)

THOMPSON & KNIGHT LLP  
One Arts Plaza  
1722 Routh Street, Suite 1500  
Dallas, TX 75201  
Telephone: (214) 969-1700  
Facsimile: (214) 969-1751

James E. Cousar  
State Bar No. 04898700  
James.Cousar@tklaw.com  
THOMPSON & KNIGHT LLP  
98 San Jacinto Blvd., Suite 1900  
Austin, TX 78701  
Telephone: (512) 469-6100  
Facsimile: (512) 469-6180

ATTORNEYS FOR THE BANK OF NEW YORK  
MELLON TRUST COMPANY, N.A., as  
CORPORATE TRUSTEE OF THE TEL  
OFFSHORE TRUST

### **CERTIFICATE OF SERVICE**

I hereby certify that, on November 7, 2016, a true and correct copy of the foregoing has been served by mail and email on counsel for RNR Production Land and Cattle, and by email on Ad Litem, counsel for Ad Litem, counsel for the Individual Trustees, and Albert Speisman. All

other interested parties in this matter will be served in accordance with the Court's Order Directing Method of Service of Discovery dated June 9, 2016.

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Rachelle H. Glazer