

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

IN RE: § IN THE PROBATE COURT NO. 1
§
TEL OFFSHORE TRUST § OF
§
§ TRAVIS COUNTY, TEXAS

**DEFENDANT ALBERT SPEISMAN'S RESPONSES TO CORPORATE TRUSTEE'S
AND INDIVIDUAL TRUSTEE'S REQUESTS FOR DISCLOSURE**

TO: The Bank of New York Mellon Trust Company, N.A., as Corporate Trustee of the TEL Offshore Trust, by and through its attorneys, Craig A. Haynes and Rachelle H. Glazer, Thompson & Knight LLP, One Arts Plaza, 1722 Routh Street, Suite 1500, Dallas, Texas 75201, and James E. Cousar, Thompson & Knight LLP, 98 San Jacinto Blvd., Suite 1900, Austin, Texas 78701.

Individual Trustees, Gary C. Evans, Jeffrey S. Swanson, and Thomas H. Owens, Jr., by and through their attorneys, Paul Trahan and Peter Stokes, Norton Rose Fulbright US, L.L.P., 98 San Jacinto Boulevard, Suite 1100, Austin, Texas 78701-4255, and Daniel M. McClure, Norton Rose Fullbright US, L.L.P., 1301 McKinney, Suite 5100, Houston, Texas 77010.

Pursuant to Rule 194 of the Texas Rules of Civil Procedure, Defendant Albert Speisman submits his Responses to Corporate Trustee's and Individual Trustees' Requests for Disclosure.

Respectfully submitted,

/s/R. James George, Jr.

R. James George, Jr.
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(512) 495-1400
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ATTORNEY FOR DEFENDANT
ALBERT SPEISMAN

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served or will be served in accordance with the Court's orders regarding service dated September 28, 2015 and January 21, 2016.

/s/R. James George, Jr. _____

RESPONSE TO REQUESTS FOR DISCLOSURE

REQUEST FOR DISCLOSURE (a): The correct names of the parties to the lawsuit.

RESPONSE: Albert Speisman believes the parties that have made an appearance have been named correctly. Albert Speisman is a party to the lawsuit. Albert Speisman does not have personal knowledge of the correct names of all the unit holders of TEL Offshore Trust.

REQUEST FOR DISCLOSURE (b): The name, address, and telephone number of any potential parties.

RESPONSE: Joyce E. Speisman should be a party to this lawsuit. Albert Speisman is unaware of the identity of any other potential parties at this time.

REQUEST FOR DISCLOSURE (c): The legal theories and, in general, the factual bases of the responding party's claims or defenses.

RESPONSE: Albert Speisman believes the Trustees of the TEL Offshore Trust have failed in their obligations to Albert Speisman as follows:

1. The TEL Offshore Trustees intentionally, in bad faith, with gross negligence, fraud or with reckless indifference to the interests of the beneficiaries failed to disclose that the Trust had terminated by its own provisions no later than May, 2009;
2. The Trustees of the TEL Offshore Trust intentionally, in bad faith, with gross negligence, fraud or with reckless indifference to the interests of the beneficiaries failed to act in accordance with the express provisions of the Trust Agreement to take steps to terminate the Trust in or shortly after May, 2009;
3. Despite the acknowledged limited ability of the Trust to generate future revenues sufficient to provide for distributions to unit holders, subsequent to May, 2009, the Trustees of the TEL Offshore Trust intentionally, in bad faith, with gross negligence, fraud or with reckless indifference to the interests of the beneficiaries took no steps to terminate the Trust;
4. The Trustees of the TEL Offshore Trust intentionally, in bad faith, with gross negligence, fraud or with reckless indifference to the interests of the beneficiaries continued to incur trustees' fees and administrative expenses and other costs well beyond such time as it was apparent that the Trust would not be able to make any distributions to unit holders and prudent for the Trust to continue to exist.

Albert Speisman incorporates the factual bases for his claims as set forth in Ad Litem's First Amended Original Petition as Realigned Plaintiff.

Discovery in this matter is ongoing and Albert Speisman reserves the right to amend or otherwise supplement these responses as discovery proceeds and in accordance with the Scheduling Order that it anticipates will be entered in this matter.

REQUEST FOR DISCLOSURE d): The amount and any method of calculating economic damages.

RESPONSE: Albert Speisman is entitled to his proportionate share of the proceeds from the sale of the net profits interest attributable to the Trust that would have been realized had the Trustees not intentionally postponed acting in accordance with the provisions of the TEL Offshore Trust Agreement, plus interest. In addition, Albert Speisman is entitled to his proportionate share of the fees incurred by the Trustees and other administrative expenses, including Directors and Officers insurance, plus interest, that would have been unnecessary had the Trustees of the TEL Offshore Trust acted in a timely manner in accordance with the Trust Agreement. Albert Speisman is also entitled to his proportionate share of the Reserve for Future Trust Expense established by the Trustees that would have otherwise been in place had the Trustees acted timely in terminating the Trust, plus interest. Albert Speisman is also entitled to his proportionate share of the management fee that was charged by Chevron to the Trust that would have terminated had the Trust been terminated in a timely manner, plus interest and such other relief as Albert Speisman may show himself to be entitled. The exact dollar amounts have not yet been determined and discovery is ongoing.

Albert Speisman is also entitled to his pro-rata share of damages due to the individual trustees and corporate trustees breach of fiduciary duty.

The economic damages are the loss or depreciation in value of the trust estate as a result of the Trustees' breaches of trust. Some of this loss or depreciation in value was due to the breaches of trust represented by the Trustees' delay in the sale of the Trust's net profits interests beginning in 2009 and continuing until the Trustees filed the termination and modification proceeding in 2014. For example, had the Trustees sold the net profits interest during 2010, they could have received over \$20 million in sales proceeds based on publicly-traded market values, or if they sold at the end of 2010 they could have received around \$15 million in sales proceeds based on their own engineer's calculation. In addition to these damages, Albert Speisman is entitled to his pro-rata share of the return of the compensation and profits the Trustees received during this time as a result of breaches of trust. Compensation is approximately \$1.2 million, which does not include insurance premiums on trustee liability insurance. In addition, Albert Speisman seeks to recover his attorney's fees and costs and to require that the Trustees bear their own attorneys' fees and costs, not the Trust.

Albert Speisman will supplement his answer as discovery continues and in accordance with the Scheduling Order.

REQUEST FOR DISCLOSURE e): The name, address, and telephone number of persons having knowledge of relevant facts, and a brief statement of each identified person's connection with the case.

RESPONSE:

1. Roy Rimmer
Paul Willingham
Custodian of Records, Employees and/or Representatives of RNR Production
Land and Cattle
c/o Shannon H. Ratliff
Ratliff Law Firm, PLLC
600 Congress Avenue, Suite 3100
Austin, Texas 78701
512-493-9601

2. Michael Ulrich
Sarah Newell
James Favola
Mary Jo Davis
Custodian of Records, Employees and/or Representatives of The Bank of New
York Mellon, Trust Company N.A., Corporate Trustee
c/o Craig Haynes
Thompson & Knight LLP
One Arts Plaza
1722 Routh Street, Suite 1500
Dallas, Texas 75201
214-969-1239

Albert Speisman believes these individuals have knowledge of facts and activities surrounding the operation of the TEL Offshore Trust including the bank's role as corporate trustee, the manner in which it calculated its fees to the Trust for serving as a corporate trustee and the actions and inactions of the bank, as corporate trustee, and the other trustees in administering the TEL Offshore Trust.

3. Gary C. Evans
c/o Paul Trahan
Peter Stokes
Norton Rose Fulbright US, LLP
98 San Jacinto Boulevard, Suite 1100
Austin, Texas 78701-4255
512- 474-5201

Albert Speisman believes Mr. Evans has knowledge of facts and activities surrounding the operation of the TEL Offshore Trust including the actions and inactions of the trustees in administering the TEL Offshore Trust.

4. Jeffrey S. Swanson
c/o Paul Trahan
Peter Stokes
Norton Rose Fulbright US, LLP
98 San Jacinto Boulevard, Suite 1100
Austin, Texas 78701-4255
512- 474-5201

Albert Speisman believes Mr. Swanson has knowledge of facts and activities surrounding the operation of the TEL Offshore Trust including the actions and inactions of the trustees in administering the TEL Offshore Trust.

5. Thomas H. Owen, Jr.
c/o Paul Trahan
Peter Stokes
Norton Rose Fulbright US, LLP
98 San Jacinto Boulevard, Suite 1100
Austin, Texas 78701-4255
512- 474-5201

6. Lance Schuler
Custodian of Records, Employees and/or Representatives of Andrews Kurth LLP
600 Travis, Suite 4200
Houston, Texas 77002
(713) 220-4200

Albert Speisman believes Mr. Schuler and potentially others with the Andrews Kurth firm have knowledge regarding the facts and activities surrounding the operation of the TEL Offshore Trust including the actions and inactions of the trustees in administering the TEL Offshore Trust. Additionally, Mr. Schuler may have information relating to the discussions and activities at the quarterly meetings of the Trustees of the TEL Offshore Trust.

7. Wyn Smith
Dustin Oslund
Custodian of Records, Employees and/or Representatives of Deloitte Touche

Albert Speisman believes Mr. Smith, Mr. Oslund and potentially others with Deloitte Touche may have knowledge regarding the facts and activities surrounding the operation of the TEL Offshore Trust including the actions and inactions of the trustees in administering the TEL Offshore Trust.

8. Ms. Crus-Partida
Custodian of Records, Employees and/or Representatives of Chevron

Albert Speisman believes the individuals from Chevron may have knowledge regarding the information provided or otherwise available to the trustees of the TEL Offshore Trust including information relating to the operations of the interests held by the Trust as well as information provided to DeGolyer and MacNaughton in conjunction with their assessments of the Trust properties. Additionally, Ms. Cruz-Partida may have information relating to the discussions and activities at the quarterly meetings of the Trustees of the TEL Offshore Trust.

9. Paul J. Szatkowski
Custodian of Records, Employees and/or Representatives of DeGolyer and MacNaughton
5001 Spring Valley Road, Suite 800 East
Dallas, Texas 75244

Albert Speisman believes that DeGolyer and MacNaughton and Mr. Szatkowski may have knowledge regarding the analysis performed by DeGolyer and MacNaughton regarding their assessment of the Trust properties. Additionally, Mr. Szatkowski may have knowledge of discussions and information between DeGolyer and MacNaughton, representatives of Chevron and one or more Trustees or representatives of Trustees of the TEL Offshore Trust.

10. Albert Speisman

Albert Speisman reserves the right to supplement this list as discovery continues and designate any other witnesses with knowledge listed by any other party to this litigation and not objected to by Defendant Albert Speisman

REQUEST FOR DISCLOSURE (f): For any testifying expert:

- (1) the expert's name, address and telephone number;
- (2) the subject matter on which the expert will testify;
- (3) the general substance of the expert's mental impressions and opinions and a brief summary of the basis for them, or if the expert is not retained by, employed by, or otherwise subject to the control of the responding party, documents reflecting such information;
- (4) if the expert is retained by, employed by, or otherwise subject to the control of the responding party:
 - (A) all documents, tangible things, reports, models, or data compilations that have been provided to, reviewed by, or prepared by or for the expert in anticipation of the expert's testimony; and,
 - (B) the expert's current resume and bibliography.

RESPONSE: Discovery is currently ongoing and Albert Speisman has not made a final determination of its expert(s) in this matter. Albert Speisman will supplement this answer in accordance with the Scheduling Order that it anticipates will be entered in this matter.

REQUEST FOR DISCLOSURE (g): Any indemnity and insuring agreements described in Rule 192.3(f);

RESPONSE: None.

REQUEST FOR DISCLOSURE (h): Any settlement agreements described in Rule 192.3(g);

RESPONSE: None.

REQUEST FOR DISCLOSURE (i): Any witness statements described in Rule 192.3(h);

RESPONSE: The deposition of Michael Ulrich, the representative of Bank of New York Mellon, the corporate trustee, has been taken. Additionally, he has testified in at least one hearing on this matter.

REQUEST FOR DISCLOSURE (l): The name, address, and telephone number of any person who may be designated as a responsible third party.

RESPONSE: None at this time.

Defendant Albert Speisman's investigation and discovery in this matter are ongoing. Defendant Albert Speisman reserves the right to amend or supplement this disclosure as may be necessary.