

Asset Management

CASE STUDY

Receivership Program



BACKGROUND CHALLENGES

A privately held domestic and international upstream oil and gas company was placed under the authority of the court due to legal actions among the children of the founder. The CEO of Auburn's parent company was asked to be the Court Ordered Receiver and provide the staff necessary to properly manage two different companies. Since these companies had been managed for years by a single person who was not available to assist due to his health, the accounting was found to be generalized and not complete.

RESULTS/CONCLUSIONS

- Provided a multi-discipline Subject Matter Expert (SME) team in support of a court ordered Receivership.
- Team included:
 - Court ordered Receiver, (CEO)
 - On-site Managing Director (COO)
 - On-site Head of Finance (CFO)
 - On-site Land Management (VP Land)
 - On-site Geology & Geophysics (VP Geology)
 - On-site Reservoir & Production Engineering personnel
 - On-site HSE & Regulatory personnel
 - Drilling, IT, Vendor Contracts & Compliance support personnel
 - Multi-level third party legal support team
- AEM's team of SME's managed and directed the operations of two companies under the receivership.
 - US Domestic upstream oil & gas company with operations in multiple states as well as over 400 non-operated properties
 - International upstream oil & gas company in west Africa and interests in several other international locations
- Identified the portfolio of assets owned by the companies and established Land Management organization.
- Established fiduciary prudence and oversight while returning the domestic company to financial stability and profitability.
- Managed approximately \$6 million in gross monthly revenue
- Participated in approximately 200 non-op drilling opportunities over the tenure of the receivership.
- Maintained asset viability for adjudicated party following conclusion of the receivership.
- Cleared numerous legal and regulatory issues enabling the companies to maintain operational and fiduciary stability.
- Provided support and guidance to both parties involved in the lawsuit along with maintaining underlying Receivership Order of asset preservation.