

Understanding & Simplifying Oil & Gas Unclaimed Property Management

THE ESCHEAT PROCESS



Track dormancy to document triggers for abandoned property



Send required communication to unclaimed property owners



Advance unclaimed property status based on applicable laws



File notifications and reports to relevant government regulators

TYPES OF UNCLAIMED PROPERTY

- Lease Bonuses
- Mineral Interest Royalty Payments
- Working Interest Production Payments
- Overriding Royalties
- Delay Rentals
- Shut-In Payments
- Unpaid Wages or Commissions
- Unreimbursed Expenses
- AR Balances
- AR Credit Memos
- Unidentified Remittances
- Unresolved AP Balances

SUSPENSE MANAGEMENT

Commonly Escheated Suspense

- Bad Address
- Deceased / Probate
- Unknown Owners
- No Social Security Number
- Unsigned Division Order

Historically Excluded Suspense

- Title Requirement / Title Dispute
- Litigation
- Deceased / Probate

ESCHEAT PRIORITY RULES

- **First Priority Rule:** The TX v. NJ case established the first priority for remitting unclaimed property to the state of the owner's last known address.
- **Second Priority Rule:** In the absence of the unclaimed property owner's last known residence, the property should be escheated to the holder's state of incorporation.
- **Exception:** If the owner's last known address is in a location or country that does not have an applicable escheat law, unclaimed property reverts to the state where holder is incorporated.

DORMANCY & DUE DILIGENCE

- Each jurisdiction varies, but typically you must send notices to owners no more than 180 days and not less than 60 days before filing deadline
- Spring dormancy cut-off typically December 31st
- Summer dormancy cut-off: March 1 (Texas), March 31 (Michigan)
- Fall dormancy cut-off typically June 30th

ANNUAL FILING DEADLINES

Alabama	October 31
Alaska	October 31
Arizona	October 31
Arkansas	October 31
California (remit)	June 15
California (notice)	October 31
Colorado	October 31
Connecticut	March 30
Delaware	March 1
Florida	April 30
Georgia	October 31
Hawaii	October 31
Idaho	November 1
Illinois	April 30
Indiana	October 31
Iowa	October 31
Kansas	October 31
Kentucky*	October 31
Louisiana	October 31
Maine	October 31
Maryland	October 31
Massachusetts	November 1
Michigan	July 1
Minnesota	October 31
Mississippi	October 31
Missouri	October 31
Montana	October 31

Nebraska	October 31
Nevada	October 31
New Hampshire	October 31
New Jersey	October 31
New Mexico	October 31
New York	March 10
North Carolina	October 31
North Dakota	November 1
Ohio	October 31
Oklahoma	October 31
Oregon	November 1
Pennsylvania	April 15
Puerto Rico	December 10
Rhode Island	October 31
South Carolina	October 31
South Dakota	October 31
Tennessee	October 31
Texas	July 1
Utah	October 31
Vermont	April 30
Virgin Islands	October 31
Virginia	October 31
Washington	October 31
Washington DC	October 31
West Virginia	October 31
Wisconsin	October 31
Wyoming	November 1

*Mineral Proceeds Exempt

RULE CHANGES & TRENDS TO TRACK

- **RUUPA:** Latest changes add 2 new types of owner activity that show interest in property/exempt from reporting (e-mail and bank withdrawal/deposit)
- **NAUPA III:** New standard available in the second half of 2024 but likely to see uneven adoption
- **DOD:** Growing use of date of death will bring change to more state filing rules
- **Audits:** Increasing activity in Texas, Delaware, Arkansas + more

HOW PAKENERGY HELPS

- The only energy industry specific unclaimed property management solution
- Continuously refreshes with latest dormancy rule changes and filing deadlines
- Tracks owner activity and automates due diligence letters
- Automatically generates state-specific EDI data files for painless filing

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