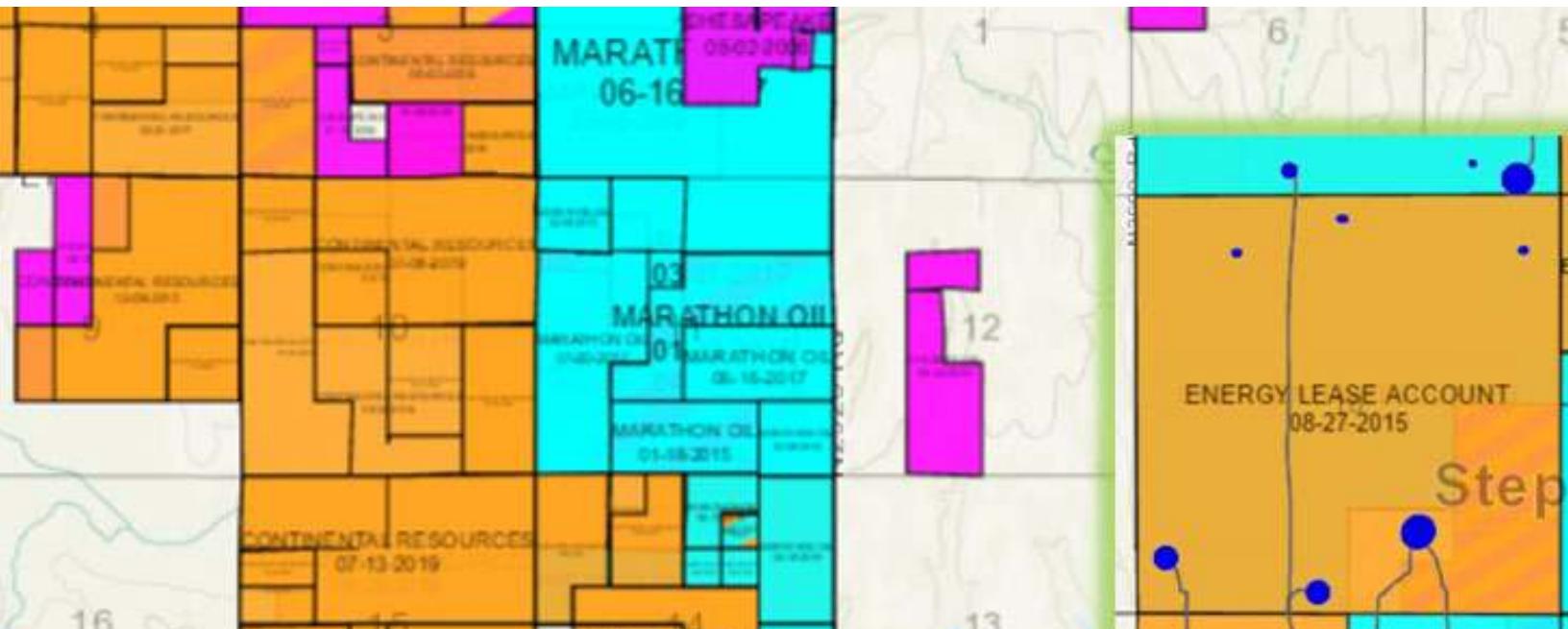


# HOW TO FIND \$2M IN TEN MINUTES.

Read about how Drillinginfo helped a large, nationwide bank make \$2.1 for a single client in minutes



**Case Study**

# In a matter of minutes, the bank was able to gather invaluable information that likely earned it a client for life.



## Customer Challenge

Mineral management professionals carry a lot of responsibility for their clients. They are in charge of maximizing the value of their clients' assets and ensuring they receive all the payments to which they are entitled. For most mineral managers, overseeing client portfolios is a manual, time-consuming job that has a high potential for error.

This process is both especially important and especially tiresome when it comes to handling leases with offset obligation clauses. Offset obligation clauses set restrictions on the lessee so that if any wells are drilled by any operators within a given distance of the leased property, the lessee is required to take action. Typically, they would have to immediately drill a well on lease to protect reserves, release the property back to the lessor, or pay the lessor compensatory royalties. Offset obligation clauses can have huge financial consequences for both the mineral owner and the operator leasing the land. Mineral owners rely on their mineral managers to monitor whether any offset wells have been drilled and take appropriate action on the owners' behalf.

That was the exact situation for a large national bank with a mineral management division. The bank handles many clients, which means it must

stay informed of thousands of wells, permits, and leases. It would take an entire team of lease analysts working full-time to monitor any changes in customer assets. Even with the resources of a full team behind this process, there was capability for each lease to be researched only once a month. A lease analyst would spend at least 20 minutes per lease running production and permit searches.

The monitoring process for leases with offset obligation clauses was even more manual. In some cases, lease analysts used measurement tools to physically measure on a map whether a newly drilled well was close enough to a client's lease to enact the clause.

Besides being manual, the process was also error-prone. It was very difficult for lease analysts to determine where a horizontal well traveled and whether it came close enough to a client's lease to enact the clause. Consequently, the bank would often miss events that had major financial consequences for their clients.

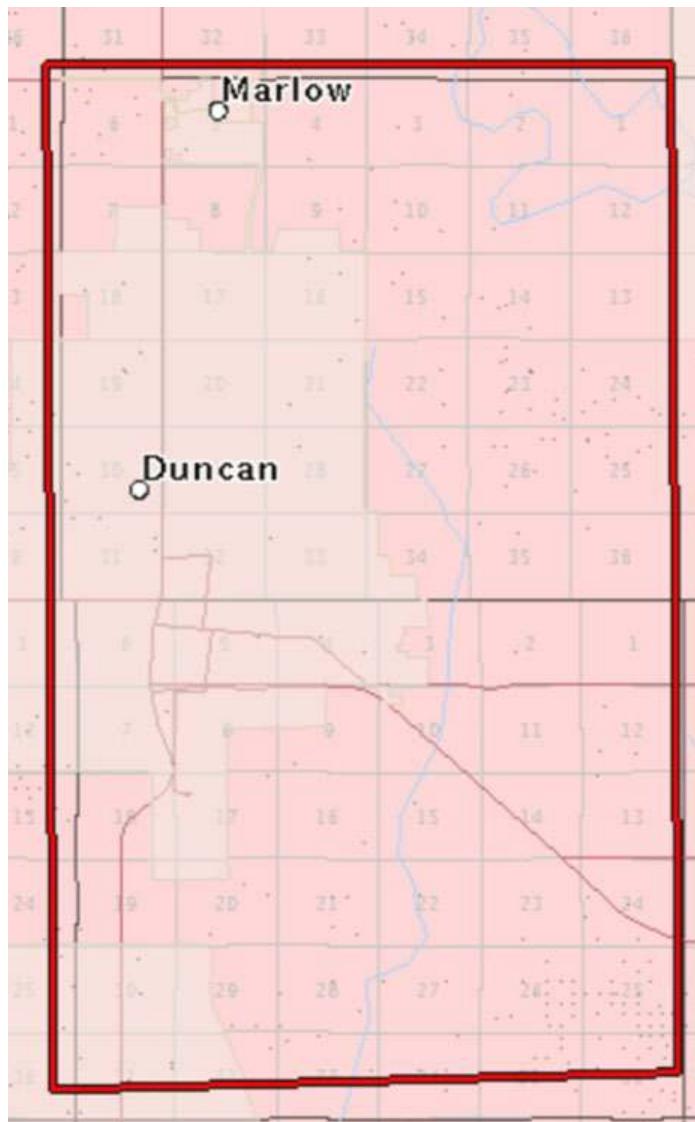
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### Customer Solution



With Drillinginfo and LandTracs, what was a time-consuming, manual, and error-prone process is now fast, simple, and automated. Instead of spending 20 minutes per lease running searches on production and permit updates, the bank's lease analysts simply upload a shapefile of a lease to the Drillinginfo web app and set an AOI. They can then sign up to receive email notifications about any activity occurring on or around the lease. The proactive monitoring capabilities means the lease analysts never have to run manual monthly searches again.

## Case Study

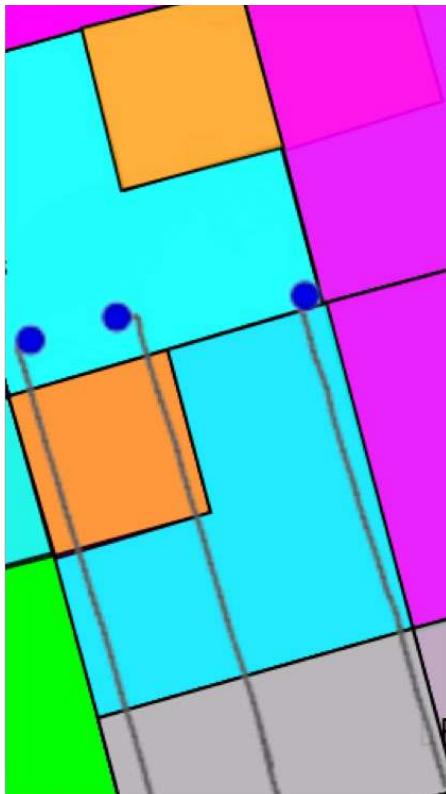


*Areas of interest can be created by simply uploading a shapefile or manually drawing one.*

LandTracs also solves the all-too-common mystery of where horizontal wells actually pass. By layering wellbore trajectories over leases on a map view, the bank's lease analysts can immediately see how closely a horizontal well passes to a client's lease.

Recently, the bank acquired a new client. A lease analyst then uploaded a shapefile of one of the client's leases, which was leased to Operator X. By using the wellbore trajectories layer over the lease map, the analyst could see that Operator Y had drilled

a horizontal well that passed close enough to the client's lease to enact the offset obligation clause. According to the clause, Operator X had 180 days from the date that Operator Y's well had been drilled to drill an offset well. However, more than 180 days had passed and no offset well had been drilled. The bank contacted Operator X and obtained \$2.1M in compensatory royalty for the client.



*By layering wells with trajectories, the bank analysts could easily see the direction and trajectory of horizontal wells.*

Without Drillinginfo and the lease and well visuals, the bank may have never known that Operator Y's well passed through the client's offset zone and the client would have never received the royalty to which they were entitled.

In a matter of minutes, the bank was able to gather invaluable information that likely earned it a client for life.

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