

Problem Solving Planner

Taking a few minutes to assess and analyze the current situation and plan for the changes and results you would like to see can help identify the best fit of available resolution choices. This tool provides a quick and systematic approach to assess and analyze the current situation. It is designed to assist you in identifying the best fit of available resolution choices and planning for the changes and results, you would like to see.

SITUATION ASSESSMENT			
Where are we?			
1. Assessing the current situation is the first step. Considerations include: Who are the <i>participants</i> ?			
2. How would you describe the problem or issues? Describe in a neutral fashion. What is the current state of affairs?			
THE PARTICIPANTS			
(list contact names and use an additional sheet for each participant, as needed)			
Other Company(ies):	Company A	Company B	Company C
Principal contact(s):	Land Administrator	Land Administrator	Land Administrator
Regulator(s):	N/A		
Government(s):	N/A		
Other party(ies):	N/A		
SITUATION DESCRIPTION – CORE ISSUES (<i>THE WHAT</i>)			

1. Very briefly, in bullet form, what is (are) the facts for each participant?

- Company A Operator for 10 producing wells
- Company B sold interest in the 10 wells to Company C
- Assignment documentation (Notice of Assignment) prepared and distributed for sale from Company B to Company C
- Company A will not recognize Company C, wants amendments to Notice of Assignment
- Company B will not make amendments to Notice of Assignment
- Company C wants to receive its revenue for the 10 wells

2. What are the issues? (Try and describe at least three aspects of the situation, in a neutral non-positional fashion or in a factual manner.

Company C:

- Revenue from wells
- Recognition under governing agreement, effect on future operations
- Ongoing relationship with Company A

What are the issues applicable to the other company(ies)?

Company A:

- Payment for costs related to the wells
- Following internal policies
- Ongoing relationship with Company C

Company B:

- Time / cost involved in making amendments
- Responsible under agreement they no longer have an interest in
- No longer party to ongoing relationships

THE CURRENT STATE

Having identified all the issues, very briefly describe where you are at with each of the issues:

Company C Point of View:

- Losing money when not getting Revenue from wells
- Not a recognized party to the governing agreement, not notified of new operations under governing agreement, not able to have any say in new operations
- Will have to work with Company A in future, will all future operations have conflicts?

Company A Point of View:

- Not being paid for Company C's share of costs for wells
- Will have to work with Company C in future, will all future operations have conflicts?
- Following internal policies important as company is trying to set a standard for dealing with all partners. Notice of Assignment does not meet these standards

Company B Point of View:

- No longer have an interest in governing agreement or wells, does not want to spend additional time when there are no benefits to them
- Company A did not object to Notice of Assignment or identify issue prior to the binding date
- They are still held responsible under the governing agreement, costs may be associated

No longer party to ongoing relationships, but may have in the future

UNDERLYING REASONS FOR THE DISPUTE (THE WHY'S)

What got us to this point?

The current situation is the result of various causes and effects, within all of the companies involved. Personalities, corporate cultures and objectives, policies and procedures, financial factors or external pressures may have contributed to the current situation. Analyze the causes and effects by filling in any circles that apply to the situation, or add other possible causes below and explain:

- | | | |
|---|--|--|
| <input checked="" type="checkbox"/> Information | <input type="checkbox"/> Technical merits | <input type="checkbox"/> Legal issues |
| <input type="checkbox"/> Interpersonal conflict | <input checked="" type="checkbox"/> Differences of opinion | <input checked="" type="checkbox"/> Strongly held values |
| <input checked="" type="checkbox"/> Differing interests | <input checked="" type="checkbox"/> Perceived differences | <input type="checkbox"/> Other: |

(REMEMBER TO FURTHER EXPLAIN ANY CAUSES AND EFFECTS IDENTIFIED)

Where did we start from? What's behind our dispute?

YOUR COMPANY

Company C

- Concerns: Receipt of revenue
- Hopes: To be a recognized party
- Expectations: Company A to amend records
- Assumptions: Company B should make revision
- Priorities: Core area, losing revenue
- Beliefs: They should be recognized by all parties
- Fears: Will not ever be recognized by Company A
- Values: Will have to work together in future

OTHER COMPANY (IES)

Company A

- Concerns: Following internal company policies
- Hopes: To be able to recognize correct current party
- Expectations: Revision to NOA
- Assumptions: Company C or Company B make revisions, Company B wants to have dispute resolved without them
- Priorities: Losing costs associated with wells
- Beliefs: Amendment to NOA is required
- Fears: Amendment will not be made
- Values: Will have to work together in future

Based on the interests you (and the team) have identified, what are the next steps?

(To enhance this answer, try utilizing the Cost/Benefit Tool)

YOUR COMPANY

Company C

- Discussions with Company A to get more information on the amendment they want and why.
- Discuss with Company B to get more information on why they will not change their records.
- Inform Company A and Company B of each others issues and concerns.
- Review related governing agreement and assignment procedure. Do these documents provide support for amendment or not?

OTHER COMPANY (IES)

Company A & Company B

- Clarify for Company C what their issues and concerns are.
- Review governing agreement and assignment procedure. What support do these documents provide?

What are the challenges that have hindered resolution thus far?

Examples may be...

- Present Corporate negotiation strategies
- Indirect competition with other Party(ies)
- Want to gain an advantage over the other party(s)
- Present strategies have been successful in the past
- Do not trust other party(s) to negotiate in good faith
- See other Party(s) as using negotiations as a stalling tactic
- X Concerned about losing control, power or money
- Senior management do not support negotiation style
- Other strategies perceived as "weaker"
- Reluctance to utilize outside resources / ADR professionals
- Personal reluctance to change strategy
- X Matter is not a high enough priority to their company
- Other

What are the costs?

The costs of action or inaction are direct and indirect. Direct costs include human resources (people), financial resources (money) and time. Indirect costs also include the potential impact on relationships (personal and corporate). Consider these potential costs, and if possible, estimate the direct and indirect costs below:

- People: Dealings with related companies to get interest recognized
- Money: Not being paid / received
- Time: Dealing with other companies, information not being provided, eg. Production information
- Relationships: Will have to work with these people and companies in future
- Personal: Constant conflict where no one is willing to budge
- Corporate: Not receiving production

Now you may again, also consider the Cost/Benefit Tool to carry your strategy forward...

ACTION PLAN – RESOLUTION CHOICES

Having worked through the issues and/or overall dispute and understanding the reasons behind them, brainstorm some possible solutions/options to the underlying reasons for the dispute to ascertain if they meet yours and the other party(ies) 'needs' etc.

- Apply the related provisions of governing agreement to situation. What does this support.
- Apply the related provisions of the assignment procedure to the situation. What does this support? If it is not clear what the assignment procedure supports, there are a number of parties available as resources who can help with interpretation questions.
- Ensure all parties are clear on the issues and concerns of the other parties.
- If Company C makes the amendment, Company A's issues and concerns are dealt with as it receives a revised Notice of Assignment. Company B's issues and concerns are dealt with as it does not have to take the time to make the amendment. Company C's issues and concerns are dealt with as it is recognized as a party to the governing agreement by Company A.