



**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF LOUISIANA**

**In Re: Oil Spill by the Oil Rig  
“Deepwater Horizon” in the Gulf  
of Mexico, on April 20, 2010**

**MDL NO. 2179**

**SECTION J**

**Applies to: *All Cases***

**JUDGE BARBIER  
MAGISTRATE JUDGE SHUSHAN**

**REPORT BY THE CLAIMS ADMINISTRATOR OF THE DEEPWATER  
HORIZON ECONOMIC AND PROPERTY DAMAGES SETTLEMENT  
AGREEMENT ON THE STATUS OF CLAIMS REVIEW**

<b>STATUS REPORT NO.</b>	<b>18</b>	<b>DATE</b>	<b>February 28, 2014</b>
--------------------------	-----------	-------------	--------------------------

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF LOUISIANA**

**In re: Oil Spill by the Oil Rig  
“Deepwater Horizon” in the Gulf  
of Mexico, on April 20, 2012**

**MDL NO. 2179**

**SECTION J**

**Applies to: *All Cases***

**JUDGE BARBIER  
MAGISTRATE JUDGE SHUSHAN**

**REPORT BY THE CLAIMS ADMINISTRATOR OF THE DEEPWATER HORIZON  
ECONOMIC AND PROPERTY DAMAGES SETTLEMENT AGREEMENT ON THE  
STATUS OF CLAIMS REVIEW**

**STATUS REPORT NO. 18, DATED FEBRUARY 28, 2014**

The Claims Administrator of the Deepwater Horizon Economic and Property Settlement Agreement (Settlement Agreement) submits this Report to inform the Court of the status of the implementation of the Settlement Agreement as of February 10, 2014. The Claims Administrator will provide any other information in addition to this Report as requested by the Court.

**I. STATUS OF THE CLAIMS REVIEW PROCESSES AND CLAIM PAYMENTS**

**A. Claim Submissions.**

**1. Registration and Claim Forms.**

The Claims Administrator opened the Settlement Program with needed functions staffed and operating on June 4, 2012, just over 30 days after the Claims Administrator’s appointment. The Claims Administrator’s Office (CAO) has received 208,089 Registration Forms and 256,204 Claim Forms since the Program opened, as shown in the Public Statistics for the Deepwater Horizon Economic and Property Damages Settlement (Public Report) attached as Exhibit A. Additionally, claimants have begun, but not fully completed and submitted, 12,579 Claim Forms. The Forms are available online, in hard copy, or at Claimant Assistance Centers located

throughout the Gulf. Of the total Claim Forms submitted and Claim Forms begun but not fully completed and submitted, 9% have been filed or are being filed within the Seafood Program; 17% have been filed or are being filed within the Individual Economic Loss (IEL) framework; and 39% have been filed or are being filed within the Business Economic Loss (BEL) framework (including Start-Up and Failed BEL Claims). *See* Ex. A, Table 2. Deepwater Horizon (DWH) staff at the Claimant Assistance Centers assisted in starting and/or completing 36,338 of these Claim Forms. *See* Ex. A, Table 3. The thirteen Claimant Assistance Centers that are currently open also provide other forms, including Personal Representative Forms, Subsistence Interview Forms, and Sworn Written Statements and Authorizations.

## 2. Minors, Incompetents, and Deceased Claimants.

The table below describes the claims filed with the Settlement Program on behalf of minors, incompetents, and deceased claimants.

<b>Table 1. Minors, Incompetents, and Deceased Claimants.</b>							
		<b>Minor Claimants</b>		<b>Incompetent Claimants</b>		<b>Deceased Claimants</b>	
		<b>Total</b>	<b>Change Since Last Report</b>	<b>Total</b>	<b>Change Since Last Report</b>	<b>Total</b>	<b>Change Since Last Report</b>
<b>1.</b>	<b>Claims Filed</b>	61	+3	93	+3	404	+15
<b>2.</b>	<b>Claims Within GADL Review</b>	2	+1	1	-1	N/A	N/A
<b>3.</b>	<b>Eligible for Payment</b>	11	+1	50	0	179	+4
<b>4.</b>	<b>Approval Orders Filed</b>	8	0	46	0	160	+9

## 3. Third Party Claims.

The CAO receives, processes, and pays the claims and/or liens asserted by attorneys, creditors, governmental agencies, or other third parties against the payments to be made by the CAO to eligible claimants under the Settlement Agreement (Third Party Claims) in accordance

with Court Approved Procedure Order No. 1 (as entered September 9, 2012, and amended March 11, 2013).

The CAO requires a third party claimant to submit enforcement documentation soon after the initial Third Party Claim assertion, and the CAO notifies the claimant of an Enforced Third Party Claim against a potential Settlement Payment as soon as the CAO receives sufficient documentation of such an assertion, regardless of where the underlying Settlement Program Claim is in the review process. The claimant may, but is not required to, object to the Third Party Claim at this time. After the CAO sends an Eligibility Notice to the affected Settlement Program Claimant against whom an Enforced Third Party Claim has been asserted (meaning that both the underlying claim and the Third Party Claim are payable), the CAO sends the claimant/claimant's attorney and the third party claimant a Notice of Valid Third Party Claim, and the claimant has twenty (20) days to notify the CAO of any objection to the Third Party Claim.

The CAO continues to process and pay Third Party Claims as reflected in Table 2 below.

<b>Table 2. Third Party Claims.</b>							
	<b>Type of Third Party Claim ("TPC")</b>	<b>TPCs Asserted</b>	<b>TPCs Asserted Against Claimants With a DHCC ID</b>	<b>TPCs<sup>1</sup> Asserted Against Payable Claims</b>	<b>Valid TPCs Asserted Against Payable Claims</b>	<b>TPCs Paid/Ready for Payment (TPClmt)</b>	<b>Claims with TPCs Paid/Ready for Payment (Clmt)</b>
<b>1.</b>	<b>Attorney's Fees</b>	2,067	1,870	404	255	254	540
<b>2.</b>	<b>IRS Levies</b>	688	639	62	51	49	83
<b>3.</b>	<b>Individual Domestic Support Obligations</b>	376	239	100	75	77	100
<b>4.</b>	<b>Blanket State-Asserted Multiple Domestic Support Obligations</b>	4 states	N/A	N/A	N/A	0	0

<sup>1</sup> Although the CAO will not know whether a Valid TPC is asserted against a payable claim until the Eligibility Notice goes out, the streamlined enforcement requirements allow the CAO to assess validity earlier in the process.

<b>Table 2. Third Party Claims.</b>							
	<b>Type of Third Party Claim ("TPC")</b>	<b>TPCs Asserted</b>	<b>TPCs Asserted Against Claimants With a DHCC ID</b>	<b>TPCs<sup>1</sup> Asserted Against Payable Claims</b>	<b>Valid TPCs Asserted Against Payable Claims</b>	<b>TPCs Paid/Ready for Payment (TPClmt)</b>	<b>Claims with TPCs Paid/Ready for Payment (Clmt)</b>
5.	<b>3rd Party Lien/Writ of Garnishment</b>	745	417	37	12	7	7
6.	<b>Claims Preparation/Accounting</b>	4,215	4,021	110	74	29	38
7.	<b>TOTAL</b>	<b>8,091</b>	<b>7,186</b>	<b>713</b>	<b>467</b>	<b>416</b>	<b>768<sup>2</sup></b>

Any disputes over Third Party Claims must be resolved by agreement of the parties or through a dispute resolution process. The CAO sends a Notice of Third Party Claim Dispute to all parties involved in a disputed Valid Third Party Claim. If the claimant and third party claimant are unable to resolve their dispute by agreement and if the dispute is over a Third Party Claim for attorney's fees or fees associated with work performed in connection with a Settlement Program Claim, the claimant and third party claimant may participate in the Third Party Claims Dispute Resolution Process and will receive a Request for Third Party Claim Dispute Resolution Form with the Notice of Third Party Claim Dispute. To date, the CAO has sent approximately 100 Notices of Third Party Claim Dispute to notify parties with eligible disputes that they may submit a Request Form if they are unable to resolve their dispute by agreement.

Table 3 provides additional information about participation in the Third Party Claims Dispute Resolution Process.

---

<sup>2</sup> If the TPC amount is in dispute, the CAO pays the claimant the undisputed portion of the Settlement Payment. A TPC can be asserted against one or more Settlement Program Claims. For these reasons, this total may not be equal to the total of the two preceding columns.

<b>Table 3. Third Party Claims Dispute Resolution Process.</b>			
<b>Request Forms Received for Eligible Disputes</b>	<b>Records Provided to Adjudicator</b>	<b>Disputes Withdrawn</b>	<b>Final Decisions<sup>3</sup></b>
76	55	41	13

To date, the CAO has removed 1,464 lien holds following parties' releasing their claims or resolving disputes.<sup>4</sup>

## **B. Claims Review.**

The CAO completed its first claim reviews and issued its first outcome notices on July 15, 2012, and its first payments on July 31, 2012. There are many steps involved in reviewing a claim so that it is ready for a notice.

### **1. Identity Verification.**

The Claimant Identity Verification review is the first step in the DWH claims review process. The Claimant Identity Team has initiated verifications for 182,049 claimants. Of those, the CAO matched the Taxpayer Identity Number (TIN) and the claimant's name to public records databases and verified identity for 97,115 claimants from the initial query through LexisNexis and/or Dun & Bradstreet. The CAO reviewed the remaining 84,934 claimants to determine whether claimant identity could be verified after searching for typographical errors and name changes or after reviewing official documentation from the Internal Revenue Service or Social Security Administration. Of the 84,934 claimants, the CAO was able to verify the identity of 79,442.

---

<sup>3</sup> Several factors impact when a Dispute is ripe for the Adjudicator to issue a Final Decision, including whether the Adjudicator has requested additional documentation or granted a Telephonic Hearing.

<sup>4</sup> This number may fluctuate because of reassertions of released or disallowed liens.

The table below contains information on the number of claimants verified by the CAO during an initial Identity Verification review in addition to the type and number of TIN Verification Notices issued when the CAO could not verify identity after the initial review.

<b>Table 4. Identity Verification Review Activity.</b>					
	<b>Outcome</b>	<b>Claimants Reviewed Since Last Report</b>	<b>Monthly Percentage</b>	<b>Total Claimants Reviewed</b>	<b>Total Percentage</b>
<b>1.</b>	<b>Verified During Review</b>	2,191	78.31%	61,509	77.43%
<b>2.</b>	<b>SSN Notice Issued</b>	57	2.04%	2,595	3.27%
<b>3.</b>	<b>ITIN Notice Issued</b>	4	0.14%	426	0.54%
<b>4.</b>	<b>EIN Notice Issued</b>	546	19.51%	14,909	18.77%
<b>5.</b>	<b>Total Reviewed</b>	<b>2,798</b>	<b>100%</b>	<b>79,439</b>	<b>100%</b>

If the CAO cannot verify a claimant's identity after initial review, but it appears that additional documentation may allow the CAO to verify a claimant's identity, the CAO issues a Verification Notice. The Verification Notice types include the SSN Notice, ITIN Notice, and EIN Notice. The table below contains information on the number of TIN Verification Notices issued, the number of Notices that have been cured following claimant response to the Notice, and the average time, in days, it took the claimant to cure the deficiency.

<b>Table 5. Identity Incompleteness Activity.</b>					
	<b>Notice Type</b>	<b>Notices Issued</b>	<b>Number Cured</b>	<b>Percentage Cured</b>	<b>Days to Cure</b>
<b>1.</b>	<b>SSN Notice</b>	2,595	2,093	80.66%	51
<b>2.</b>	<b>ITIN Notice</b>	426	368	86.38%	31
<b>3.</b>	<b>EIN Notice</b>	14,909	12,551	84.18%	32
<b>4.</b>	<b>Total Issued</b>	<b>17,930</b>	<b>15,012</b>	<b>83.73%</b>	<b>38</b>

## **2. Employer Verification Review (EVR).**

The EVR process ensures that all employees of the same business are treated uniformly and that each business is placed in the proper Zone. The review also walks through the intricate analysis necessary to assign the proper NAICS code to a business. The EVR team has completed the EVR analysis for 212,927 businesses and rental properties.

From January 11, 2014 through February 10, 2014, the team completed the EVR process for 3,983 businesses and rental properties. The CAO identified an average of 119 new businesses and rental properties to review each day and completed the EVR review for an average of 128 businesses and rental properties each day. The CAO continues to review new businesses and rental properties on a first-in, first-out basis.

### 3. Exclusions.

The Exclusions review process ensures that claims and claimants excluded under the Settlement Agreement are appropriately denied. The Exclusions team guides the reviewers and the EVR team when questions arise during the Exclusion review. Table 6 below shows the number of Denial Notices issued to date for each Exclusion Reason and the team responsible for making such a determination.

<b>Table 6. Exclusions.</b>				
	<b>Exclusion Reason</b>	<b>Team Responsible</b>	<b>Denial Notices Since Last Report</b>	<b>Total Denial Notices</b>
1.	<b>GCCF Release</b>	<b>Exclusions</b>	42	7,365
2.	<b>BP/MDL 2179 Defendant</b>		25	328
3.	<b>US District Court for Eastern District of LA</b>		0	22
4.	<b>Not a Member of the Economic Class</b>	<b>Claims Reviewers</b>	0	230
5.	<b>Bodily Injury</b>		0	6
6.	<b>BP Shareholder</b>		0	8
7.	<b>Transocean/Halliburton Claim</b>		0	0
8.	<b>Governmental Entity</b>	<b>Claims Reviewers/ EVR</b>	8	750
9.	<b>Oil and Gas Industry</b>		89	909
10.	<b>BP-Branded Fuel Entity</b>		1	42
11.	<b>Menhaden Claim</b>	<b>EVR</b>	0	18
12.	<b>Financial Institution</b>		0	249
13.	<b>Gaming Industry</b>		8	700
14.	<b>Insurance Industry</b>		2	178
15.	<b>Defense Contractor</b>		5	353



<b>Table 6. Exclusions.</b>				
	<b>Exclusion Reason</b>	<b>Team Responsible</b>	<b>Denial Notices Since Last Report</b>	<b>Total Denial Notices</b>
<b>16.</b>	<b>Real Estate Developer</b>		9	210
<b>17.</b>	<b>Trust, Fund, Financial Vehicle</b>		0	14
<b>18.</b>	<b>Total Denial Notices from Exclusions</b>		<b>189</b>	<b>11,382</b>

#### **4. Claimant Accounting Support Reviews.**

A special team handles Claimant Accounting Support (CAS) reviews. CAS reimbursement is available under the Settlement Agreement for IEL, BEL, and Seafood claims. After a claim has been determined to be payable and the Compensation Amount has been calculated, the CAS team reviews accounting invoices and CAS Sworn Written Statements submitted by the claimant. Table 7 includes information on the number of CAS reviews the CAO has completed to date, whether the Accounting Support documentation was complete or incomplete, and the dollar amounts reimbursed for each Claim Type.

<b>Table 7. Claimant Accounting Support Reviews.</b>									
	<b>Claim Type</b>	<b>CAS Review Result</b>				<b>Total CAS Reviews</b>		<b>CAS \$ Amount Reimbursed</b>	
		<b>Complete</b>		<b>Incomplete</b>		<b>Since Last Report</b>	<b>Total to Date</b>	<b>Since Last Report</b>	<b>Total to Date</b>
		<b>Since Last Report</b>	<b>Total to Date</b>	<b>Since Last Report</b>	<b>Total to Date</b>				
<b>1.</b>	<b>BEL</b>	146	10,266	33	1,018	179	11,284	\$0.00	\$15,628,756.96
<b>2.</b>	<b>IEL</b>	135	2,551	16	401	151	2,952	\$7,756.38	\$328,998.28
<b>3.</b>	<b>Seafood</b>	34	3,840	1	773	35	4,613	\$11,668.68	\$1,561,568.53
<b>4.</b>	<b>TOTAL</b>	<b>315</b>	<b>16,657</b>	<b>50</b>	<b>2,192</b>	<b>365</b>	<b>18,849</b>	<b>\$19,425.06</b>	<b>\$17,519,323.77</b>

#### **5. Quality Assurance Review.**

The Quality Assurance (QA) process addresses three fundamental needs of the Settlement Program: (a) to ensure that all claims are reviewed in accordance with the provisions of the Settlement Agreement by targeting anomalous claim results through data metrics analysis;

(b) to provide a mechanism to monitor reviewer performance and the tools necessary to efficiently and effectively provide feedback to reviewers; and (c) to identify areas of review resulting in high error rates that require retraining or refined review procedures and data validations.

The CAO has implemented a reviewer follow-up process for all claim types. The CAO provides daily follow-up to reviewers in the event a QA review of a particular claim produces a result different than that of the original review. The CAO also has a report that identifies specific reviewers who require retraining and reveals whether issues that warrant refresher training for all reviewers exist. Table 8 shows, by Claim Type, the number of claims identified for QA review through the database QA process, as well as the number of QA reviews that have been completed, the number in progress, and the number awaiting review.

<b>Table 8. Quality Assurance Reviews.</b>							
	<b>Claim Type</b>	<b>Total Claims Needing QA To Date</b>	<b>QA Reviews Completed</b>	<b>% of QA Reviews Completed</b>	<b>QA Reviews in Progress</b>	<b>Claims Awaiting QA Review</b>	<b>QA Reviews Completed Since Last Report</b>
1.	<b>Seafood</b>	25,129	24,956	99%	141	32	130
2.	<b>IEL</b>	27,063	25,839	95%	1,069	155	862
3.	<b>BEL</b>	24,119	23,834	99%	238	47	858
4.	<b>Start-Up BEL</b>	1,960	1,943	99%	9	8	92
5.	<b>Failed BEL</b>	2,054	2,031	99%	8	15	55
6.	<b>Coastal RP</b>	20,034	20,012	100%	11	11	249
7.	<b>RPS</b>	813	811	100%	0	2	7
8.	<b>VoO</b>	7,776	7,774	100%	0	2	36
9.	<b>Subsistence</b>	31,967	20,471	64%	1,072	10,424	867
10.	<b>Wetlands RP</b>	4,001	3,790	95%	33	178	117
11.	<b>VPD</b>	1,415	1,406	99%	5	4	51
12.	<b>TOTAL</b>	<b>146,331</b>	<b>132,867</b>	<b>91%</b>	<b>2,586</b>	<b>10,878</b>	<b>3,324</b>

## 6. Claim Type Review Details.

Table 9 provides information, by Claim Type, on the number of claims filed, the number of claims that have been reviewed to Notice, the number of claims remaining to be reviewed, and the number of claims reviewed to either a Notice or “Later Notice” to date. Table 9 divides the claims reviewed to a “Later Notice” into separate sections: (1) claims receiving Notices after the CAO conducts a Reconsideration review, and (2) claims reviewed following the submission of additional materials by a claimant in response to an Incompleteness Notice.

<b>Table 9. Throughput Analysis of Claims Filed and Notices Issued.</b>										
<b>A. Claims Reviewed to First Notice</b>										
	Claim Type	Status of All Claims Filed					Productivity From 1/11/14 Through 2/10/14			
		Total Claims Filed To Date	Reviews Completed to Notice or Closed		Claims Remaining to Review		New Claims Filed	Avg. Daily Claims Filed	Reviews Completed to First Notice	Avg. Daily Reviews to First Notice
1.	Seafood	24,586	24,241	99%	345	1%	35	1	83	3
2.	IEL	38,476	33,679	88%	4,797	12%	1,724	56	615	20
3.	IPV/FV	270	254	94%	16	6%	3	<1	0	0
4.	BEL	92,000	45,680	50%	46,320	50%	2,417	78	1,402	45
5.	Start-Up BEL	5,099	3,658	72%	1,441	28%	100	3	105	3
6.	Failed BEL	3,447	2,740	79%	707	21%	65	2	35	1
7.	Coastal RP	33,245	32,505	98%	740	2%	549	18	825	27
8.	Wetlands RP	13,385	5,141	38%	8,244	62%	316	10	152	5
9.	RPS	1,487	1,449	97%	38	3%	15	<1	39	1
10.	Subsistence	34,103	11,459	34%	22,644	66%	1,013	33	275	9
11.	VoO	8,691	8,623	99%	68	1%	15	<1	25	<1
12.	VPD	1,415	1,366	97%	49	3%	8	<1	24	<1
13.	<b>TOTAL</b>	<b>256,204</b>	<b>170,795</b>	<b>67%</b>	<b>85,409</b>	<b>33%</b>	<b>6,260</b>	<b>202</b>	<b>3,580</b>	<b>115</b>
<b>B. Claims Reviewed to Later Notice</b>										
	Claim Type	Initial or Preliminary Incompleteness Response			Follow-Up Incompleteness Responses			Requests for Reconsideration		
		Total Responses	Claims with Later Notice	Remaining Claims	Total Responses	Claims with Later Notice	Remaining Claims	Total Requests	Claims with Later Notice	Remaining Claims
1.	Seafood	5,881	5,333	548	2,782	2,509	273	3,606	3,261	345
2.	IEL	15,627	13,475	2,152	7,535	6,009	1,526	4,622	3,691	931
3.	IPV/FV	89	84	5	34	33	1	37	34	3

**Table 9. Throughput Analysis of Claims Filed and Notices Issued.**

<b>4.</b>	<b>BEL</b>	25,392	15,456	9,936	9,867	4,516	5,351	3,911	2,480	1,431
<b>5.</b>	<b>Start-Up BEL</b>	2,111	1,551	560	1,221	608	613	417	240	177
<b>6.</b>	<b>Failed BEL</b>	940	719	221	558	298	260	438	288	150
<b>7.</b>	<b>Coastal RP</b>	4,993	4,859	134	1,395	1,337	58	1,655	1,535	120
<b>8.</b>	<b>Wetlands RP</b>	351	242	109	72	57	15	472	374	98
<b>9.</b>	<b>RPS</b>	261	236	25	72	68	4	179	175	4
<b>10.</b>	<b>Subsistence</b>	4,905	786	4,119	945	77	868	172	74	98
<b>11.</b>	<b>VoO</b>	919	899	20	384	372	12	619	605	14
<b>12.</b>	<b>VPD</b>	761	715	46	343	318	25	229	217	12
<b>13.</b>	<b>TOTAL</b>	<b>62,230</b>	<b>44,355</b>	<b>17,875</b>	<b>25,208</b>	<b>16,202</b>	<b>9,006</b>	<b>16,357</b>	<b>12,974</b>	<b>3,383</b>

### C. Claim Payments.

#### 1. Notices and Payments.

The CAO issued its first payments to claimants on July 31, 2012. Tables 4 and 5 of the Public Report attached in Exhibit A provide detail on the notices and payments issued to date. As of February 10, 2014, the CAO has issued 63,076 Eligibility Notices to unique claims with Payment Offers totaling over \$4.97 billion. As of that date, the CAO has made over \$3.83 billion in payments on 55,831 claims.<sup>5</sup>

#### 2. Claimants in Bankruptcy.

The CAO reviews each claimant who indicates an open bankruptcy on the Registration Form (Debtor Claimant) to determine whether the claimant has submitted sufficient documentation from the applicable bankruptcy court to issue payment. If the CAO determines that the claimant is not a Debtor Claimant per the Procedure for Disposition of Claims by Claimants in Bankruptcy (Proc-445), or if the claimant submits sufficient documentation for the CAO to issue payment on all active claims, the CAO will remove the Bankruptcy Hold. Table

<sup>5</sup> The Court-ordered injunction addressing revenue and expense matching and causation issues has affected the number of Eligibility Notices with Payment Offers and Payments Issued. See section I.E for additional information on the injunction addressing revenue and expense matching and causation issues.

10 provides information about the status of claimants identified as Debtor Claimants, including information on notices issued to those claimants.

<b>Table 10. Claimants in Bankruptcy.</b>			
<b>1.</b>	<b>Identified Claimants in Bankruptcy</b>	<b>Total</b>	<b>Change Since Last Report</b>
<b>(a)</b>	<b>Claimants with Active Bankruptcy Hold</b>	1,783	+37
<b>(b)</b>	<b>Claimants with Removed Bankruptcy Hold</b>	872	+26
<b>2.</b>	<b>Bankruptcy Notices Issued</b>	<b>Total</b>	<b>Change Since Last Report</b>
<b>(a)</b>	<b>Representative of Claimant in Bankruptcy Notices</b>	317	+5
<b>(b)</b>	<b>Bankruptcy Trustee Communication Notices</b>	58	+3
<b>(c)</b>	<b>Bankruptcy Trustee Informational Notices</b>	43	+2

On December 5, 2013, the CAO re-issued the Procedure for Disposition of Claims by Claimants in Bankruptcy (Proc-445) to Class Counsel and BP for comment. The revised version of the Procedure changes the procedures for Chapter 12 and 13 debtors with regard to who must sign the appropriate Release and whether the CAO's office may communicate with the debtor when a trustee has been appointed. Version 2 of Proc-445 states that Chapter 7 and 11 debtors must provide the CAO with an Approval Order that states who must sign the Release, but Chapter 12 and 13 debtors are assumed to be the debtors-in-possession of their own bankruptcy estates and, thus, are permitted to sign the Release on their own behalf unless the submitted Court Order states otherwise. Version 2 of Proc-445 also states that the CAO's office may communicate with Chapter 12 and 13 debtors directly, even when the Court has appointed a bankruptcy trustee to oversee the debtor's case. On December 5, 2013, Class Counsel deferred to the CAO's decision regarding this change. On December 17, 2013, BP submitted proposed modifications to the revised version of the Procedure. The CAO is currently reviewing BP's proposed modifications and possible further revisions to the Procedure.

**D. Re-Reviews, Reconsiderations, and Appeals.****1. Re-Reviews and Outcomes.**

The CAO implemented a Re-Review process beginning on January 18, 2013, that provides claimants with the opportunity to request a Re-Review of their claim within 30 days of the issuance of an Eligibility or Denial Notice if the claimant has additional documentation not previously submitted to support their claim. Following a Re-Review, claimants receive a Post Re-Review Notice, from which they may then request Reconsideration if they wish. To date, there have been 64,601 Eligibility and Denial Notices issued from which claimants can or could seek Re-Review. Of those, 905 are still within the 30 day window to seek Re-Review and Re-Review has not yet been requested, leaving 63,696 claims that have passed the window for seeking Re-Review. Of those, claimants have requested Re-Review of 4,609 claims. Thus, the rate of Re-Review from all final determinations is 7.2%. The rate of Re-Review from Eligibility Notices is 4.4%, and the rate of Re-Review from Denial and Incompleteness Denial Notices is 14.0%.

Table 11 summarizes the Re-Reviews the CAO has completed, the number of Post Re-Review Notices the CAO has issued, and whether the outcome of the Re-Review resulted in an award that was higher than (↑), lower than (↓), or the same as (↔) the outcome previously issued. The table also includes information on whether an original Exclusion Denial was confirmed or overturned on Re-Review. The number of Notices issued is fewer than the number of reviews completed because there is a 36-hour lag between the time when the review is completed and the time when the Notice is issued.

<b>Table 11. Re-Reviews.</b>								
<b>A. Re-Review Requests and Reviews</b>								
	Claim Type	Requests Received To Date	Reviews Completed To Date					
			Total	Completed Since Last Report	Average Weekly Reviews			
1.	Seafood	809	782	21	15			
2.	IEL	673	627	39	12			
3.	IPV/FV	11	11	2	<1			
4.	BEL	1,524	1,346	35	25			
5.	Start-Up BEL	116	100	14	2			
6.	Failed BEL	150	127	9	2			
7.	Coastal RP	799	796	90	15			
8.	Wetlands RP	266	251	10	5			
9.	RPS	80	80	1	2			
10.	Subsistence	78	56	19	1			
11.	VoO	57	57	1	1			
12.	VPD	46	42	1	<1			
13.	<b>TOTAL</b>	<b>4,609</b>	<b>4,275</b>	<b>242</b>	<b>81</b>			
<b>B. Re-Review Notices Issued</b>								
	Claim Type	Notices Issued		Outcome of Re-Review Notice				
		Total Issued to Date	Weekly Average	Compensation Amount for Eligible Claims			Exclusions/Denials	
				↑	↓	↔	Confirmed	Overtured
1.	Seafood	716	14	387	28	214	84	3
2.	IEL	552	10	142	34	188	185	3
3.	IPV/FV	11	<1	0	0	0	11	0
4.	BEL	1,017	19	253	42	83	630	9
5.	Start-Up BEL	68	1	16	3	5	43	1
6.	Failed BEL	93	2	1	2	0	90	0
7.	Coastal RP	725	14	42	5	94	567	17
8.	Wetlands RP	187	4	6	1	9	170	1
9.	RPS	44	<1	1	0	2	41	0
10.	Subsistence	35	<1	4	2	1	28	0
11.	VoO	55	1	7	5	17	24	2
12.	VPD	40	<1	19	0	11	9	1
13.	<b>TOTAL</b>	<b>3,543</b>	<b>67</b>	<b>878</b>	<b>122</b>	<b>624</b>	<b>1,882</b>	<b>37</b>

## 2. Reconsideration Reviews and Outcomes.

To date, there have been 125,798 Eligibility, Denial, and Incompleteness Denial Notices issued from which claimants can or could seek Reconsideration. Of those, 1,704 are still within the 30 day window to seek Reconsideration and Reconsideration has not yet been requested, leaving 124,094 claims that have passed the window for seeking Reconsideration. Of those, claimants have requested Reconsideration of 16,357 claims. Thus, the rate of Reconsideration from all final determinations is 13.2%. The rate of Reconsideration from Eligibility Notices is 5.6%, and the rate of Reconsideration from Denial and Incompleteness Denial Notices is 22.1%.

Table 12 summarizes the Reconsiderations the CAO has completed, the number of Post-Reconsideration Notices the CAO has issued, and whether the outcome of the Reconsideration review resulted in an award that was higher than (↑), lower than (↓), or the same as (↔) the outcome previously issued. The table also includes information on whether an original Exclusion Denial was confirmed or overturned on Reconsideration. The number of Notices issued is fewer than the number of reviews completed because there is a 36-hour lag between the time when the review is completed and the time when the Notice is issued.

<b>Table 12. Reconsideration.</b>					
<b>A. Reconsideration Requests and Reviews</b>					
	Claim Type	Requests Received To Date	Reviews Completed To Date		
			Total	Completed Since Last Report	Average Weekly Reviews
1.	Seafood	3,606	3,261	83	48
2.	IEL	4,622	3,691	258	54
3.	IPV/FV	37	34	0	<1
4.	BEL	3,911	2,480	63	37
5.	Start-Up BEL	417	240	19	4
6.	Failed BEL	438	288	1	4
7.	Coastal RP	1,655	1,535	48	23
8.	Wetlands RP	472	374	8	6
9.	RPS	179	175	5	3



<b>Table 12. Reconsideration.</b>								
<b>10.</b>	<b>Subsistence</b>		172		74		3	1
<b>11.</b>	<b>VoO</b>		619		605		1	9
<b>12.</b>	<b>VPD</b>		229		217		10	3
<b>13.</b>	<b>TOTAL</b>		<b>16,357</b>		<b>12,974</b>		<b>499</b>	<b>191</b>
<b>B. Reconsideration Notices Issued</b>								
	Claim Type	Notices Issued		Outcome of Reconsideration Notice				
		Total Issued to Date	Weekly Average	Compensation Amount for Eligible Claims			Exclusions/Denials	
				↑	↓	↔	Confirmed	Overtured
<b>1.</b>	<b>Seafood</b>	3,261	48	740	130	474	1,660	257
<b>2.</b>	<b>IEL</b>	3,691	54	110	261	100	2,842	378
<b>3.</b>	<b>IPV/FV</b>	34	<1	0	0	0	33	1
<b>4.</b>	<b>BEL</b>	2,480	36	314	121	196	1,615	234
<b>5.</b>	<b>Start-Up BEL</b>	240	4	10	10	13	189	18
<b>6.</b>	<b>Failed BEL</b>	288	4	0	5	0	280	3
<b>7.</b>	<b>Coastal RP</b>	1,535	23	91	24	369	899	152
<b>8.</b>	<b>Wetlands RP</b>	374	5	20	1	30	306	17
<b>9.</b>	<b>RPS</b>	175	3	1	0	3	158	13
<b>10.</b>	<b>Subsistence</b>	74	1	1	0	1	70	2
<b>11.</b>	<b>VoO</b>	605	9	58	5	121	368	53
<b>12.</b>	<b>VPD</b>	217	3	48	4	15	87	63
<b>13.</b>	<b>TOTAL</b>	<b>12,974</b>	<b>190</b>	<b>1,393</b>	<b>561</b>	<b>1,322</b>	<b>8,507</b>	<b>1,191</b>

### 3. Appeals.

#### (a) BP Appeals.

To date, the CAO has issued 18,800 Eligibility Notices that meet or exceed the threshold amount rendering them eligible for appeal by BP. Of those, 20 Notices are still within the timeframe in which BP can file an appeal and BP has not yet filed an appeal, leaving 18,780 Notices that BP has either appealed or for which the deadline for BP to file an appeal has passed. Of those 18,780 Notices, BP has filed 3,921 appeals (20.9% appeal rate). However, out of the 3,921 Notices BP has appealed, BP has subsequently withdrawn 269 of those appeals, while another 1,315 have been resolved for a compensation amount the same as or greater than that in the Eligibility Notice (excluding the 5% compensation increase that a claimant who

prevails upon appeal receives). Thus, out of the 3,921 Notices BP has appealed, 1,584 have either been withdrawn or resolved for a compensation amount the same as or greater than that in the Eligibility Notice. When those 1,584 Notices are deducted from the 3,921 Notices BP has appealed to arrive at a more representative and indicative “rate of disagreement”, that leaves 2,337 out of 18,780 Notices appealed by BP, or a 12.4% “rate of disagreement.”

Table 13 provides summary information on the status of BP appeals.

<b>Table 13. Status of BP Appeals.</b>				
<b>A. Appeal Filing/Resolution</b>				
	<b>Status</b>	<b>As of Last Report</b>	<b>Since Last Report</b>	<b>Total</b>
<b>1.</b>	<b>BP Appeals Filed</b>	<b>3,903</b>	<b>18</b>	<b>3,921</b>
<b>2.</b>	<b>Appeals Resolved</b>	<b>2,378</b>	<b>24</b>	<b>2,402</b>
(a)	Withdrawn	267	2	269
(b)	Panel Decided	1,483	12	1,495
(c)	Settled by Parties	383	0	383
(d)	Remanded by Panel	104	9	113
(e)	Administratively Closed	8	0	8
(f)	Closed for Reconsideration Review	133	1	134
<b>B. Pending Appeals</b>				
<b>3.</b>	<b>In Pre-Panel Baseball Process</b>			<b>1,286</b>
<b>4.</b>	<b>Currently Before Panel</b>			<b>106</b>
<b>5.</b>	<b>Under Discretionary Review</b>			<b>127</b>
<b>6.</b>	<b>TOTAL PENDING</b>			<b>1,519</b>

**(b) Claimant Appeals.**

Before a claimant may file an appeal, the claimant must request Reconsideration and receive a Post-Reconsideration Eligibility or Denial Notice. To date, the CAO has issued 7,080 Post-Reconsideration Eligibility and Denial Notices. Of those, 145 Notices are still within the timeframe in which the claimant can file an appeal and the claimant has not yet filed an appeal, leaving 6,935 Notices that the claimant has either appealed or for which the deadline for the claimant to file an appeal has passed. Of those 6,935 Notices, claimants have filed 1,236 appeals

(17.8% appeal rate). Of the 1,236 claimant appeals, 745 are appeals of Post-Reconsideration Denial Notices, and 491 are appeals of Post-Reconsideration Eligibility Notices.

Table 14 provides summary information on the status of Claimant Appeals.

<b>Table 14. Status of Claimant Appeals.</b>				
<b>A. Appeal Filing/Resolution</b>				
	<b>Status</b>	<b>As of Last Report</b>	<b>Since Last Report</b>	<b>Total</b>
<b>1.</b>	<b>Claimant Appeals Filed</b>	<b>1,193</b>	<b>43</b>	<b>1,236</b>
<b>2.</b>	<b>Appeals Resolved</b>	<b>667</b>	<b>92</b>	<b>759</b>
(a)	Panel Decided	544	84	628
(b)	Settled by Parties	69	4	73
(c)	Remanded by the Panel	17	3	20
(d)	Administratively Closed	8	0	8
(e)	Withdrawn	29	1	30
<b>B. Pending Appeals</b>				
<b>3.</b>	<b>In Pre-Panel Baseball Process</b>		102	
<b>4.</b>	<b>In Pre-Panel Non-Baseball Process</b>		224	
<b>5.</b>	<b>Currently Before Panel</b>		75	
<b>6.</b>	<b>Under Discretionary Review</b>		76	
<b>7.</b>	<b>TOTAL PENDING</b>		<b>477</b>	

**(c) Resolved Appeals.**

As reported in the tables above, 3,161 appeals have been resolved. Table 15 provides a summary of these resolved appeals by Claim Type. The comparison between the Post-Appeal award amount and the award amount within the original notice does not take into consideration the 5% increase in compensation that a claimant who prevails upon appeal receives.

<b>Table 15. Outcome After Appeal.</b>											
<b>Claim Type</b>		<b>Appeals Settled or Decided by Panel</b>						<b>Withdrawn</b>	<b>Admin. Closed</b>	<b>Closed Because Claimant Asked For Recon.</b>	<b>Total</b>
		<b>Award Amount after Appeal Compared to Original Notice</b>									
		<b>Higher</b>	<b>Lower</b>	<b>Same</b>	<b>Denial Upheld</b>	<b>Denial Over-turned</b>	<b>Remand</b>				
<b>1.</b>	<b>Seafood</b>	55	19	122	27	2	14	46	4	8	297
<b>2.</b>	<b>BEL</b>	56	463	1,149	138	43	80	200	6	105	2,240
<b>3.</b>	<b>Wetlands</b>	2	1	3	27	1	0	3	0	16	53
<b>4.</b>	<b>Coastal</b>	34	1	18	47	1	1	6	1	0	109
<b>5.</b>	<b>RPS</b>	0	4	7	32	0	0	2	0	0	45
<b>6.</b>	<b>VoO</b>	16	30	37	30	18	5	26	3	0	165
<b>7.</b>	<b>IEL</b>	14	28	46	39	5	22	8	2	5	169
<b>8.</b>	<b>IPV</b>	0	0	0	1	1	0	0	0	0	2
<b>9.</b>	<b>VPD</b>	0	24	28	10	0	11	8	0	0	81
<b>10.</b>	<b>Total</b>	<b>177</b>	<b>570</b>	<b>1,410</b>	<b>351</b>	<b>71</b>	<b>133</b>	<b>299</b>	<b>16</b>	<b>134</b>	<b>3,161</b>

**(d) Incompleteness Appeals.**

The Appeal for Insufficient Documentation (Incompleteness Appeal) allows Economic Class Members to have their claims reviewed by a separate Documentation Reviewer when the CAO denies their claims because of insufficient documentation. The Documentation Reviewer reviews the claimant's documentation to determine whether the Program correctly denied the claim.

Before sending the claim to the Documentation Reviewer, the CAO reviews the appeal request along with any newly submitted documents. If the claimant has submitted the requested documentation and cured the incompleteness, the CAO issues the appropriate Notice. If the claimant still has not submitted the requested documentation, the CAO sends the claim to the Documentation Reviewer for review.

Before a claimant may file an appeal of an Incompleteness Denial, the claimant must request Reconsideration and receive a Post-Reconsideration Incompleteness Denial Notice. To date, the CAO has issued 3,571 Post-Reconsideration Incompleteness Denial Notices. Of those, 167 Notices are still within the timeframe in which the claimant can file an appeal, leaving 3,404 Notices for which the claimant's appeal deadline has passed. Of those 3,571 Notices eligible for appeal, 1,636 (45.8%) appeal requests have been filed.

Table 16 provides summary information on the status of Incompleteness Appeals.

<b>Table 16. Incompleteness Appeals.</b>				
<b>A. Incompleteness Appeal Filing/Resolution</b>				
	<b>Status</b>	<b>Prior to 1/10/14</b>	<b>Since 1/10/14</b>	<b>Total</b>
<b>1.</b>	<b>Incompleteness Appeals Filed</b>	<b>1,468</b>	<b>168</b>	<b>1,636</b>
<b>2.</b>	<b>Appeals Resolved</b>	<b>1,147</b>	<b>102</b>	<b>1,249</b>
(a)	Withdrawn/Closed	3	1	4
(b)	Cured	150	9	159
(c)	Incompleteness Denial Affirmed	973	91	1,064
(d)	Incompleteness Denial Overturned	21	1	22
<b>B. Pending Incompleteness Appeals</b>				
<b>3.</b>	<b>In Pre-Documentation Reviewer Process</b>		<b>353</b>	
<b>4.</b>	<b>Currently Before Documentation Reviewer</b>		<b>34</b>	
<b>5.</b>	<b>TOTAL PENDING</b>		<b>387</b>	

As reported in Table 16 above, 1,249 Incompleteness Appeals have been resolved.

#### **E. Court-Ordered BEL Claim Suspension.**

BP appealed the District Court's order, issued on March 5, 2013, that affirmed the Claims Administrator's interpretation of the Settlement Agreement that the BEL framework does not require the matching of revenues and expenses within claimant-submitted profit and loss statements. On October 2, 2013, the Fifth Circuit Court of Appeals reversed the District Court's ruling and remanded the case to the District Court for further consideration. The District Court immediately entered an order to suspend the issuance of any final determination notices or

payments on all BEL claims, including Start-Up and Failed BEL claims, until the Court could create an appropriately narrowly-tailored preliminary injunction. In the months following, the Court has reviewed the issue of matching of revenues and expenses as well as issues concerning causation.

**1. Preliminary Injunction Continuing BEL Claim Suspension.**

As required by the October 18, 2013 preliminary injunction, the Claims Administrator provided the District Court with a declaration outlining the criteria that the CAO would use to determine whether a BEL claim is supported by sufficiently-matched, accrual-basis accounting. The CAO Accounting Vendors established procedures for implementing the matching review processes for evaluating all BEL claims under the enumerated criteria. On November 12, 2013, the CAO resumed issuing Incompleteness Notices to BEL claims. The CAO added language to all BEL Incompleteness Notices to inform claimants that additional information regarding the issue of matching revenues and expenses may be required at a later point in the review process.

After the District Court issued its preliminary injunction, BP filed an emergency motion objecting to the District Court's holding that causation was not an issue that the Court would address on remand. On December 2, 2013, the Fifth Circuit remanded the issue of causation and ordered that the District Court must address causation in its preliminary injunction. In response to the Fifth Circuit's ruling, the District Court issued an amended preliminary injunction on December 5, 2013, that ordered the CAO to temporarily suspend the issuance of final determination notices and payments to BEL claims until the Court resolves the BEL issues that are the subject of the pending remand.

On December 24, 2013, the District Court addressed the issues that the Fifth Circuit had placed on remand. It reversed its previous holding that the Settlement Agreement does not require the matching of revenues and expenses and remanded the matter to the CAO with

instructions to adopt and implement an appropriate protocol or policy for handling BEL claims in which the claimant's financial records do not match revenue with corresponding variable expenses. Further, the District Court also found that whether a business economic loss is "as a result of" the Deepwater Horizon Incident for purposes of the Settlement is determined exclusively by Exhibit 4B of the Settlement Agreement.

The CAO continues to adhere to the December 5, 2013 preliminary injunction by processing BEL claims and issuing Incompleteness Notices for BEL claims; the CAO, however, is not currently issuing any final determination notices or payments for any BEL claims until the CAO receives further guidance from the District Court. Additionally, the CAO is processing all IEL claims that do not qualify for eligibility solely on the basis of the employer's satisfaction of the BEL revenue pattern causation requirements. The CAO has developed and applied measures within the system to stop all Notices and payments to IEL claimants specifically affected by the Court's injunction. These claims remain on hold until the CAO Accounting Vendors evaluate the associated BEL claim for matching issues.

## **2. Processing of Appealed Claims.**

The December 5, 2013 amendment to the October 18, 2013 preliminary injunction applies to all claims currently in the claims appeal process. In response to this Order, the CAO has temporarily suspended the Appeals Process for all BEL claims in the "baseball" process, which includes all BEL claims with Eligibility Notices. The CAO will continue the Appeals Process as it relates to the following claim groups: (1) non-BEL claims, and (2) BEL claims in the "non-baseball" process, including all BEL claims issued Denial Notices for which the CAO has determined that neither revenue and expense matching nor causation, as addressed in the Fifth Circuit's ruling, are issues that have been raised as a basis for appeal.

## **II. CLAIMANT OUTREACH EFFORTS**

The CAO has continued its Claimant Outreach efforts since the previous Court Status Report as detailed below:

### **A. Law Firm Contacts.**

The Law Firm Contact Team continues to service firms by providing statuses, by answering questions about notices, and by acting as liaisons between reviewers and firms to request additional documentation pertinent to claims review. Firm Contacts participated in outreach to firms whose claimants submitted incomplete 4506-T Request for Tax Return Transcript forms. The team also continues outreach to firms with claimants who did not provide complete documentation required for a settlement payment.

### **B. Claimant Communications Center (CCC).**

The CCC remains heavily involved in claimant outreach efforts across all claim types and review teams. The CCC consistently participates in the ongoing SWS-12A research calls to employers, in the calls confirming Deadline Relief Request approvals, and in the calls confirming changes in claimant representation status. Additionally, the CCC conducts outreach calls on behalf of the Appeals Coordinator to inform claimants of missing required payment documentation.

### **C. Claimant Assistance Centers (CACs).**

The CACs claimant outreach assignment is a secondary task to meeting with claimants and answering DWH related questions. The CACs continue Claimant Outreach Program calls to contact claimants who have incomplete claims and who began claims forms but did not complete them. The CACs also expanded claimant outreach to include calls to claimants who need to complete a new 4506-T form. To date, CACs have helped to complete over 90,000 calls for the Claimant Outreach Program.



**D. Summary of Outreach Calls.**

The table below summarizes some of the Claimant Outreach Program efforts as of February 10, 2014.

<b>Table 17. Outreach Call Volume.</b>							
<b>Row</b>	<b>Location</b>	<b>Calls Made</b>	<b>Incomplete Claims Affected</b>	<b>Claims With New Docs After Call</b>	<b>% of Claims With New Docs After Call</b>	<b>Claimants Visiting CAC After Call</b>	<b>% of Claimants Visiting CAC</b>
<b>1.</b>	BrownGreer	90,686	29,367	23,213	79%	10,561	36%
<b>2.</b>	Garden City Group	70,696	8,518	6,307	74%	652	8%
<b>3.</b>	P&N	33,298	7,561	6,751	89%	186	2%
<b>4.</b>	PwC	808	356	345	97%	9	3%
<b>5.</b>	<b>TOTAL</b>	<b>195,488</b>	<b>45,802</b>	<b>36,616</b>	<b>80%</b>	<b>11,408</b>	<b>25%</b>

**III. FIFTH CIRCUIT OPINION AFFIRMING DISTRICT COURT APPROVAL OF  
THE DWH ECONOMIC AND PROPERTY SETTLEMENT**

The District Court issued an order on December 21, 2012, certifying the Economic and Property Settlement Class and granting final approval of the Settlement Agreement after addressing and rejecting each of the Objectors' arguments. The Objectors appealed the District Court's order citing various provisions of Rule 23 and requested that the Fifth Circuit remand with instructions to withdraw approval from the Settlement Agreement and to decertify the class. Additionally, BP argued that two Policy Announcements issued by the Claims Administrator regarding the interpretation and application of the Settlement Agreement had subsequently brought the Settlement Agreement into violation of Rule 23, the Rules Enabling Act, and Article III of the U.S. Constitution.

A three judge panel for the Fifth Circuit Court of Appeals considered each of the arguments presented by the Objectors and BP. On January 10, 2014, the Fifth Circuit affirmed the District Court's order approving the Settlement Agreement and certifying the class by a 2-1 majority.

The arguments that the Objectors and BP presented to overturn Agreement approval and class certification under Article III and Rule 23 generally rely on the argument that a class cannot be certified when it includes persons and entities who have not actually been injured. This argument in part originates from the Claims Administrator's interpretation of Exhibits 4B (Causation Requirements for Business Economic Loss Claims) and 4C (Compensation Framework for Business Economic Loss) of the Settlement Agreement. Specifically, BP claimed that the two Policy Announcements adopted by the Claims Administrator with respect to Exhibits 4B and 4C invalidate the class settlement. According to BP, the Claims Administrator has awarded payments as a result of its interpretation of Exhibits 4B and 4C to individuals and entities who likely were not injured by BP's conduct.<sup>6</sup>

Exhibit 4C establishes a compensation formula for calculating payments to class members for Business Economic Loss claims but does not explicitly identify the accounting methodology that the Claims Administrator must apply to this payment formula. The Claims Administrator issued a Policy Announcement in regard to its interpretation of the compensation methodology in Exhibit 4C stating that (1) the Claims Administrator will typically consider both revenues and expenses in the periods in which those revenues and expenses were recorded at the time, and (2) the Claims Administrator will not typically re-allocate such revenues or expenses to different periods. The District Court adopted this interpretation on March 5, 2013.

---

<sup>6</sup> The Fifth Circuit determined that it would be improper to evaluate evidence of BP's assertion which was not previously within the record before the District Court.

BP argued that the Claims Administrator's interpretation of Exhibit 4C did not properly reflect the Parties' intent to apply the accrual method of accounting to evaluate all potential claims. On the other hand, the Plaintiffs' Steering Committee maintained that the Claims Administrator could use the cash method of accounting to evaluate claims when the claimant ordinarily used that accounting method in maintaining its business records. BP appealed the District Court's order, and a separate Fifth Circuit panel remanded the issue for further proceedings related to the contractual interpretation of Exhibit 4C. Subsequently, the District Court issued its ruling on December 24, 2013, which is currently on appeal.

The Claims Administrator also adopted a Policy Announcement regarding the interpretation and application of Exhibit 4B of the Settlement Agreement. Exhibit 4B sets forth criteria for prospective claimants to demonstrate to the Claims Administrator that their losses were caused by the Deepwater Horizon oil spill. In the Policy Announcement, the Claims Administrator announced that the Settlement Agreement did not contemplate that the Claims Administrator would undertake additional analysis of causation issues beyond the criteria specifically established in the Settlement Agreement and that the Parties confirmed this as a correct statement of their intent. The District Court adopted this Policy Announcement on April 9, 2013.

Neither party formally objected to this Policy Announcement or appealed the April 9, 2013 Order. However, BP argued before the Fifth Circuit in the present appeal in regard to settlement approval and class certification that this Policy Announcement, along with the Policy Announcement related to Exhibit 4C, permits class members who do not have actual injuries resulting from the Deepwater Horizon oil spill to receive payments under the settlement in violation of Article III and Rule 23.

Based on the Court's previous decisions, the Fifth Circuit rejected the arguments presented by the Objectors and BP under Article III because "it is sufficient for standing purposes that the plaintiffs seek recovery for an economic harm that they *allege* they have suffered,' because we 'assume *arguendo* the merits' of their claims at the Rule 23 stage". (Court Op. at 48 (citations omitted) (emphasis added)). Further, the Court also rejected the argument of the Objectors and BP under Rule 23, citing that "[c]lass certification is not precluded simply because a class may include persons who have not been injured by the defendant's conduct." *Id.*

#### IV. CONCLUSION

The Claims Administrator offers this Report to ensure that the Court is informed of the status of the Program to date. If the Court would find additional information helpful, the Claims Administrator stands ready to provide it at the Court's convenience.

/s/ Patrick Juneau  
PATRICK A. JUNEAU  
CLAIMS ADMINISTRATOR

**CERTIFICATE OF SERVICE**

I hereby certify that the above and foregoing pleading has been served on All Counsel by electronically uploading the same to LexisNexis File & Serve in accordance with Pretrial Order No. 12, and that the foregoing was electronically filed with the Clerk of Court of the United States District Court for the Eastern District of Louisiana by using the CM/EDF System, which will send a notice of electronic filing in accordance with the procedures established in MDL 2179, on this 28<sup>th</sup> day of February, 2014.

        /s/ Patrick Juneau          
PATRICK A. JUNEAU  
CLAIMS ADMINISTRATOR

Claims Administrator Patrick Juneau has announced that the Settlement Program began issuing payments on July 31, 2012, and has been issuing outcome Notices since July 15, 2012. The Program will issue Notices on a rolling basis as we complete reviews, and they will include Eligibility Notices, Incompleteness Notices, and Denial Notices. Each Notice will provide information explaining the outcome. We will post Notices on the secure DWH Portal for any law firm or unrepresented claimant who uses the DWH Portal. We will notify firms and unrepresented claimants by email at the end of each day if we have posted a Notice that day. Firms and unrepresented claimants may then log onto the DWH Portal to see a copy of the Notice(s). Law Firms or claimants who do not use the DWH Portal will receive Notices in the mail. Claimants who receive an Eligibility Notice and qualify for a payment will receive that payment after all appeal periods have passed, if applicable, and the claimant has submitted all necessary paperwork, including a fully executed Release and Covenant Not to Sue.

Table 1	Filings by State of Residence								
	State	Registration Forms				Claims			
		Form Begun	Form Submitted	Total	%	Form Begun	Form Submitted	Total	%
1.	Alabama	838	39,718	40,556	19%	1,684	47,469	49,153	18%
2.	Florida	2,127	70,452	72,579	34%	5,421	76,100	81,521	30%
3.	Louisiana	1,628	48,183	49,811	23%	2,489	67,405	69,894	26%
4.	Mississippi	545	27,281	27,826	13%	984	30,710	31,694	12%
5.	Texas	265	10,681	10,946	5%	699	14,395	15,094	6%
6.	Other	1,027	11,774	12,801	6%	1,302	20,125	21,427	8%
7.	<b>Total</b>	<b>6,430</b>	<b>208,089</b>	<b>214,519</b>	<b>100%</b>	<b>12,579</b>	<b>256,204</b>	<b>268,783</b>	<b>100%</b>

Chart 1: Filings by State of Residence

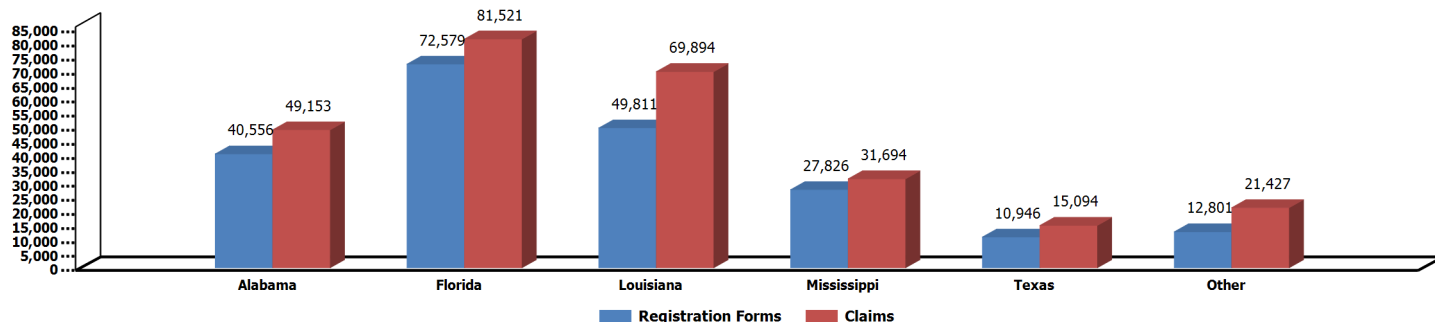
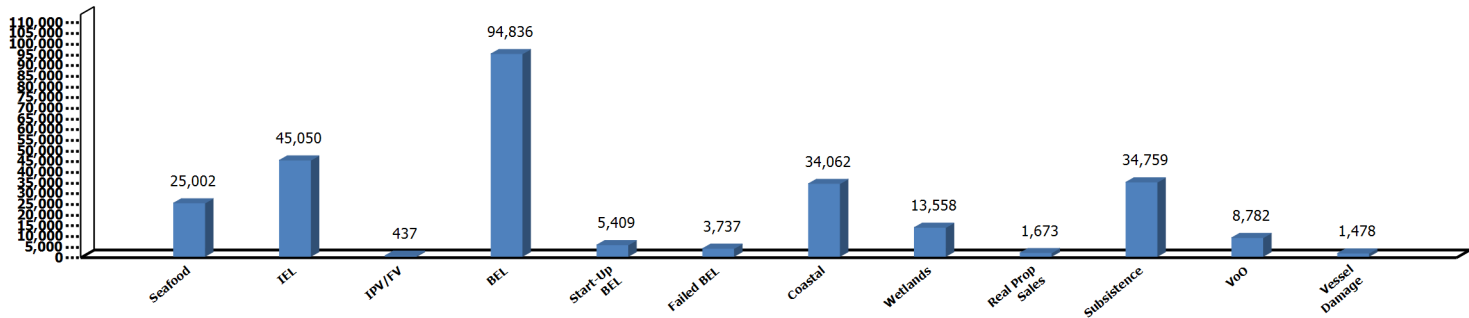


Table 2	Number of Claims by Claim Type					
	Claim Type	Claims				Unique Claimants with Form Submitted
		Form Begun	Form Submitted	Total	%	
1.	Seafood Compensation Program	416	24,586	25,002	9%	10,462
2.	Individual Economic Loss	6,574	38,476	45,050	17%	37,786
3.	Individual Periodic Vendor or Festival Vendor Economic Loss	167	270	437	<1%	268
4.	Business Economic Loss	2,836	92,000	94,836	35%	73,306
5.	Start-Up Business Economic Loss	310	5,099	5,409	2%	4,371
6.	Failed Business Economic Loss	290	3,447	3,737	1%	3,120
7.	Coastal Real Property	817	33,245	34,062	13%	23,134
8.	Wetlands Real Property	173	13,385	13,558	5%	2,851
9.	Real Property Sales	186	1,487	1,673	1%	1,177
10.	Subsistence	656	34,103	34,759	13%	34,077
11.	VoO Charter Payment	91	8,691	8,782	3%	6,140
12.	Vessel Physical Damage	63	1,415	1,478	1%	1,207
13.	<b>Total</b>	<b>12,579</b>	<b>256,204</b>	<b>268,783</b>	<b>100%</b>	<b>181,474</b>

Chart 2: Number of Claims by Claim Type



Filings by Claimant Assistance Center									
Table 3	Claimant Assistance Center	Registration Forms				Claims			
		Form Begun	Form Submitted	Total	%	Form Begun	Form Submitted	Total	%
1.	Apalachicola, FL	29	1,485	1,514	5%	41	2,112	2,153	6%
2.	Bay St. Louis, MS	9	608	617	2%	30	752	782	2%
3.	Bayou La Batre, AL	21	1,020	1,041	3%	48	1,121	1,169	3%
4.	Biloxi, MS	36	1,483	1,519	5%	67	1,897	1,964	5%
5.	Bridge City, TX	1	388	389	1%	16	749	765	2%
6.	Clearwater, FL	74	2,420	2,494	8%	364	1,989	2,353	6%
7.	Cut Off, LA	12	477	489	2%	24	680	704	2%
8.	Fort Walton Beach, FL	10	1,323	1,333	4%	49	1,820	1,869	5%
9.	Grand Isle, LA	4	144	148	<1%	5	227	232	1%
10.	Gretna/Harvey, LA	40	2,087	2,127	7%	48	2,135	2,183	6%
11.	Gulf Shores, AL	18	2,127	2,145	7%	70	2,797	2,867	8%
12.	Houma, LA	22	804	826	3%	42	1,046	1,088	3%
13.	Lafitte, LA	6	336	342	1%	12	466	478	1%
14.	Mobile, AL	72	7,466	7,538	25%	186	8,106	8,292	23%
15.	Naples, FL	26	1,338	1,364	5%	41	1,250	1,291	4%
16.	New Orleans – CBD BG, LA	14	346	360	1%	20	359	379	1%
17.	New Orleans East, LA	43	2,029	2,072	7%	102	2,402	2,504	7%
18.	Panama City Beach, FL	22	2,233	2,255	8%	95	3,430	3,525	10%
19.	Pensacola, FL	29	1,341	1,370	5%	71	1,669	1,740	5%
20.	<b>Total</b>	<b>488</b>	<b>29,455</b>	<b>29,943</b>	<b>100%</b>	<b>1,331</b>	<b>35,007</b>	<b>36,338</b>	<b>100%</b>

Chart 3: Number of Claims by Claimant Assistance Center

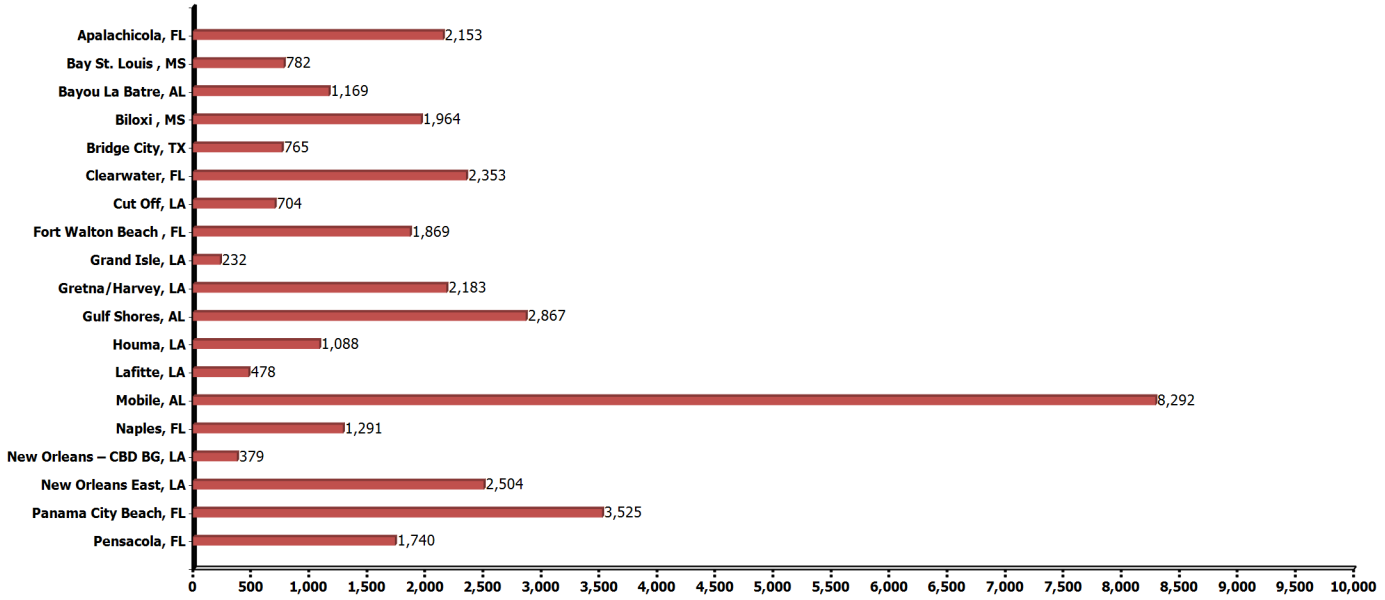


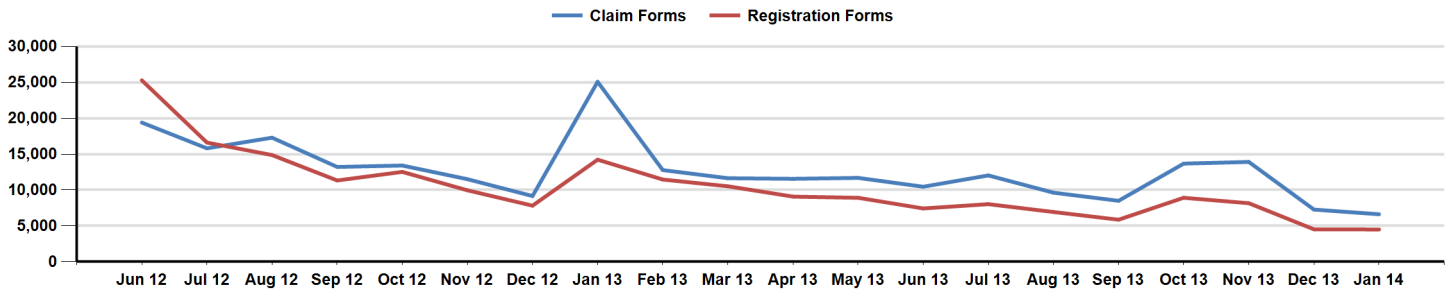
Table 4	Claim Type	Notices Issued											Total Claims Issued Notice
		Eligible - Payable	Eligible - No Payment	Incomplete	Denial					Opt-Outs	Withdrawn	Closed	
					Exclusion Denials	Prior GCCF Release	Causation Denials	Other Denials	Incomplete Denials				
1.	Seafood Compensation Program	9,133	1,123	861	47	2,451	0	461	4,673	1,188	2,603	1,584	24,124
2.	Individual Economic Loss	4,856	1,206	4,740	2,855	1,886	70	884	13,897	641	1,088	2,674	34,797
3.	Individual Periodic Vendor or Festival Vendor Economic Loss	8	0	10	4	23	0	58	122	2	67	17	311
4.	Business Economic Loss	12,459	220	19,540	665	545	2,666	178	5,059	763	2,249	1,410	45,754
5.	Start-Up Business Economic Loss	519	18	1,659	51	41	98	27	828	86	107	230	3,664
6.	Failed Business Economic Loss	36	23	728	47	91	284	563	543	105	65	249	2,734
7.	Coastal Real Property	23,173	50	291	5	773	0	4,503	1,396	355	295	1,686	32,527
8.	Wetlands Real Property	2,514	1	135	8	66	0	1,298	54	58	155	824	5,113
9.	Real Property Sales	587	2	32	4	51	22	530	61	12	54	110	1,465
10.	Subsistence	2,026	13	5,752	9	1,235	0	25	1,628	184	205	301	11,378
11.	VoO Charter Payment	6,972	19	37	16	0	0	590	665	91	64	108	8,562
12.	Vessel Physical Damage	793	21	97	4	0	0	106	196	20	35	85	1,357
13.	<b>Total</b>	<b>63,076</b>	<b>2,696</b>	<b>33,882</b>	<b>3,715</b>	<b>7,162</b>	<b>3,140</b>	<b>9,223</b>	<b>29,122</b>	<b>3,505</b>	<b>6,987</b>	<b>9,278</b>	<b>171,786</b>



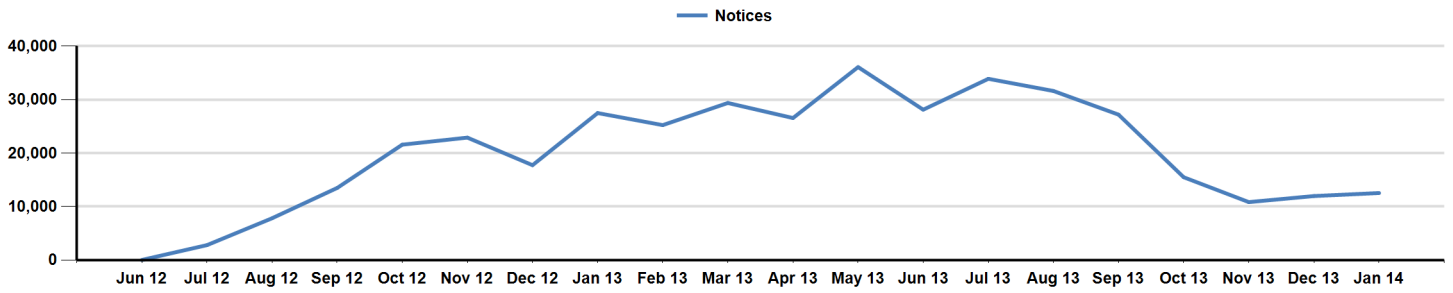
Table 5	Payment Information							
	Claim Type	Eligibility Notices Issued with Payment Offer		Accepted Offers		Payments Made		
		Number	Amount	Number	Amount	Number	Amount	Unique Claimants Paid
1.	Seafood Compensation Program	9,133	\$1,113,369,311	7,963	\$1,094,472,950	7,531	\$1,068,173,288	4,427
2.	Individual Economic Loss	4,856	\$62,167,311	4,422	\$57,959,613	4,095	\$48,789,527	4,095
3.	Individual Periodic Vendor or Festival Vendor Economic Loss	8	\$77,085	8	\$77,085	8	\$77,085	8
4.	Business Economic Loss	12,459	\$3,062,018,817	11,919	\$2,904,771,285	9,909	\$2,073,991,877	9,516
5.	Start-Up Business Economic Loss	519	\$121,337,671	496	\$114,710,593	441	\$94,075,982	426
6.	Failed Business Economic Loss	36	\$3,428,620	28	\$2,977,358	20	\$1,733,460	20
7.	Coastal Real Property	23,173	\$129,028,475	22,288	\$124,693,557	21,595	\$121,447,034	17,063
8.	Wetlands Real Property	2,514	\$148,954,714	2,366	\$101,093,461	2,284	\$100,251,962	994
9.	Real Property Sales	587	\$29,468,805	576	\$29,001,511	567	\$28,696,668	531
10.	Subsistence	2,026	\$14,994,568	1,847	\$13,748,372	1,768	\$13,032,152	1,768
11.	VoO Charter Payment	6,972	\$279,127,435	6,935	\$278,697,670	6,863	\$274,356,413	5,234
12.	Vessel Physical Damage	793	\$12,478,299	783	\$12,272,094	750	\$11,387,842	699
13.	<b>Total</b>	<b>63,076</b>	<b>\$4,976,451,112</b>	<b>59,631</b>	<b>\$4,734,475,549</b>	<b>55,831</b>	<b>\$3,836,013,289</b>	<b>41,750</b>

Table 6	Appeals Received			
	Resolved Appeals			
	Appeal Status	BP Appeals	Claimant Appeals	Total Appeals
1.	Resolved by Panel Decision	1,495	628	2,123
2.	Resolved by Parties	383	73	456
3.	Withdrawn	269	30	299
4.	Administratively Closed	8	8	16
5.	Inactive Under Reconsideration/Re-Review	134	0	134
6.	Remand to Claims Administrator	113	20	133
7.	<b>Total</b>	<b>2,402</b>	<b>759</b>	<b>3,161</b>
Pending Appeals				
8.	In "Baseball" Process	1,286	102	1,388
9.	In "Non-Baseball" Process	0	224	224
10.	Submitted to Panel	106	75	181
11.	Under Discretionary Court Review	127	76	203
12.	<b>Total</b>	<b>1,519</b>	<b>477</b>	<b>1,996</b>
Grand Total				
13.		<b>3,921</b>	<b>1,236</b>	<b>5,157</b>

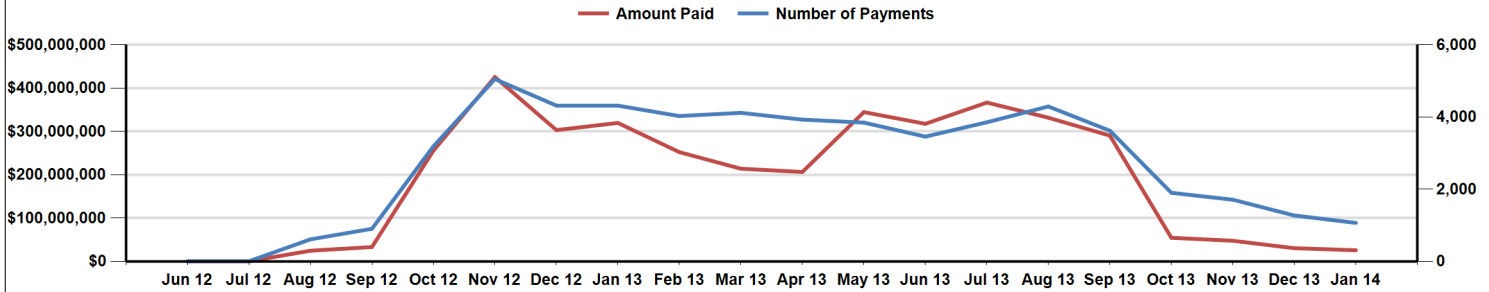
**Chart 4: Registration and Claim Forms Filed by Month**



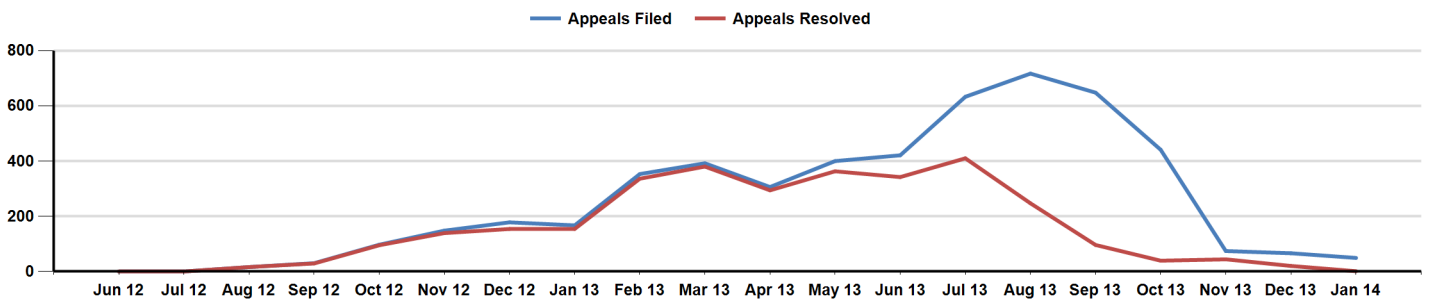
**Chart 5: Notices Issued by Month**



**Chart 6: Payments Made by Month**



**Chart 7: Appeal Resolutions by Month**



**Legend:**

1. Form Begun - Includes electronically filed registration or claim forms for the period of time between the moment a claimant or his attorney has initiated the submission of a form and moment they complete that filing by submitting the electronic signature. This definition also includes hard copy registration or claim forms where the DWH Intake Team is in the process of linking the scanned images and has not yet completed the data entry on that form.
2. Form Submitted - Includes electronically filed registration or claim forms after the claimant or his attorney completes the electronic signature and clicks the submit button. This definition also includes hard copy registration or claim forms where the DWH Intake Team has completed both the linking of scanned images and the data entry on that form.
3. Unique Claimants with Form Submitted - Counts the unique number of claimants with at least one Claim Form Submitted for each Claim Type. Because claimants may file claims for more than one Claim Type, the sum of all Claim Types will not equal the count of total unique claimants.
4. Notices Issued - The count of Notices Issued in Table 4 counts each unique claim issued a Notice only once. For claims issued multiple Notices, this report uses the following hierarchy when counting the claim: (1) Eligibility Notice if the claim has been paid; (2) Most recent active Notice if the claim has not been paid; (3) If the claim has been closed it will not be counted as an Eligibility Notice unless the claim has been paid. The count of Notices Issued in Chart 5, counts all Notices Issued and reports claims with multiple Notices once for each Notice issued. Because of this, the totals reported in Table 4 do not match the totals reported in Chart 5.
5. Payment Information - The timing of payment can be affected by a number of factors. Even after the DHECC receives a Release, delay in receipt of a W-9, or in receipt of the Attorney Fee Acknowledgment Form can delay payment. In addition, any alterations or omissions on the Release Form, or an assertion of a third-party lien against an award amount, can delay payment. As a result, this report will show a higher number of Accepted Offers than Amounts Paid.
6. Appeals Received - Excludes Appeals closed pursuant to 4/24/2013 Court Order.
7. Note: The Claims Administrator continually monitors the status of all claim filings. Through this process, the Claims Administrator may find duplicate claims from the same claimant. In such cases, the Claims Administrator will close the duplicate claim and only process the remaining valid claim. This report excludes duplicate claims from all counts of claims filed.