



**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>22</b>	<b>DATE</b>	<b>July 1, 2014</b>
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**REPORT BY THE CLAIMS ADMINISTRATOR OF THE DEEPWATER HORIZON  
ECONOMIC AND PROPERTY DAMAGES SETTLEMENT AGREEMENT ON THE  
STATUS OF CLAIMS REVIEW**

**STATUS REPORT NO. 22, DATED JULY 1, 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 May 31, 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 and Vendors (CAO)<sup>1</sup> have received 222,745 Registration Forms and 278,919 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, 12,670

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<sup>1</sup> “Claims Administrator’s Office”, as used within this report, refers to the Claims Administrator and, where applicable, Court-Supervised Settlement Program vendors working with and under the Claims Administrator.

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 the Claim Forms begun but not fully completed and submitted, 8.6% have been filed or are being filed within the Seafood Program, 16.9% have been filed or are being filed within the Individual Economic Loss (IEL) framework, and 38.9% 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 beginning and/or completing 37,253 of these Claim Forms. *See* Ex. A, Table 3.

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

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

<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>	85	+10	109	+7	574	+42
<b>2.</b>	<b>Claims Within GADL Review</b>	4	+3	1	0	N/A	N/A
<b>3.</b>	<b>Eligible for Payment</b>	12	0	54	+2	194	+7
<b>4.</b>	<b>Approval Orders Filed</b>	10	0	49	+1	172	+6

## 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 (Third Party Claims) against the payments to be made by the CAO to eligible claimants under the Settlement Agreement 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 DHECC ID</b>	<b>TPCs<sup>2</sup> Asserted Against Payable Claims</b>	<b>Valid TPCs Asserted Against Payable Claims</b>	<b>Claims with TPCs Paid/Ready for Payment (TPClmt)</b>	<b>Claims with TPCs Paid/Ready for Payment (Clmt)</b>
1.	<b>Attorney's Fees</b>	2,475	2,275	475	301	306	577
2.	<b>IRS Levies</b>	837	769	65	54	49	84
3.	<b>Individual Domestic Support Obligations</b>	374	238	108	83	82	109
4.	<b>Blanket State-Asserted Multiple Domestic Support Obligations</b>	4 states	N/A	N/A	N/A	0	0
5.	<b>3rd Party Lien/Writ of Garnishment</b>	928	462	44	15	7	7

<sup>2</sup> Although the CAO will not know whether a Valid Third Party Claim has been 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 DHECC ID</b>	<b>TPCs<sup>2</sup> Asserted Against Payable Claims</b>	<b>Valid TPCs Asserted Against Payable Claims</b>	<b>Claims with TPCs Paid/Ready for Payment (TPClmt)</b>	<b>Claims with TPCs Paid/Ready for Payment (Clmt)</b>
6.	<b>Claims Preparation/Accounting</b>	4,534	4,341	135	97	39	48
7.	<b>TOTAL</b>	<b>9,148</b>	<b>8,085</b>	<b>827</b>	<b>550</b>	<b>483</b>	<b>825<sup>3</sup></b>

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 Court-approved 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 107 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.

<b>Table 3. Third Party Claims Dispute Resolution Process.</b>				
<b>TPC Dispute Notices Issued for Eligible Disputes</b>	<b>Request Forms Received for Eligible Disputes</b>	<b>Records Provided to Adjudicator</b>	<b>Disputes Withdrawn</b>	<b>Final Decisions<sup>4</sup></b>
<b>107</b>	<b>87</b>	<b>62</b>	<b>54</b>	<b>28</b>

<sup>3</sup> A Third Party Claim can be asserted against one or more Settlement Program claims. Additionally, if the Third Party Claim amount is in dispute, the CAO pays the claimant the undisputed portion of the Settlement Payment. For these reasons, this total may not be equal to the total of the two preceding columns.

<sup>4</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.

If the dispute is over a Third Party Claim asserted by a state or federal agency, the claimant must resolve the dispute in accordance with the applicable agency's procedures. If the dispute is over the amount of a Third Party Claim based on a final judgment of a state or federal court, the CAO must receive either a written agreement between the parties or a copy of a subsequent modifying court order in order to validate the claimant's objection<sup>5</sup>; otherwise, the CAO will issue payment in satisfaction of the judgment to the third party claimant.

To date, the CAO has removed 1,559 lien holds due to parties releasing their Third Party Claims or resolving disputes.<sup>6</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 Identity Verification team conducts searches based on the Taxpayer Identification Numbers (TIN) of claimants to confirm that both the claimant's name and TIN exist and correspond with each other. The Identity Verification team has initiated verifications for 197,326 claimants. Of those, the CAO has matched the TIN and claimant's name to public records databases and verified identity for 105,830 claimants from the initial query through LexisNexis and/or Dun & Bradstreet. The CAO has reviewed the remaining 91,496 claimants to determine whether claimant identity could be verified after searching for typographical errors

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<sup>5</sup> For a claimant to object to a Third Party Claim based on a final judgment of a state or federal court, additional evidence beyond a mere objection is required for the CAO to delay or deny payment of the court-ordered debt.

<sup>6</sup> This number may fluctuate due to reassertions of released or disallowed liens.

and name changes or after reviewing official documentation from the Internal Revenue Service or Social Security Administration. Of the remaining 91,496 claimants, the CAO has verified the identity of 88,520.

If the CAO cannot verify a claimant's identity after review, but it appears that additional documentation may allow the CAO to verify the claimant's identity, the CAO issues a Verification Notice to the claimant requesting such documentation. Verification Notice types include an SSN Notice, an ITIN Notice, and an EIN Notice. 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>	637	51.2%	68,328	76.2%
<b>2.</b>	<b>SSN Notice Issued</b>	50	4.0%	2,973	3.3%
<b>3.</b>	<b>ITIN Notice Issued</b>	4	0.3%	446	0.5%
<b>4.</b>	<b>EIN Notice Issued</b>	553	44.5%	17,974	20.0%
<b>5.</b>	<b>Total Reviewed</b>	<b>1,244</b>	<b>100%</b>	<b>89,721</b>	<b>100%</b>

The CAO reviews the documentation that claimants submit in response to the Verification Notice to determine whether it is sufficient to verify identity. The following table contains information on the number of Verification Notices issued, the number of claimants whose identities the CAO has verified after claimant response to the Notice, and the average time in days for claimants to provide documentation sufficient to verify the claimant's identity after the CAO issued the Notice.

<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>	2,973	2,193	73.8%	53
<b>2.</b>	<b>ITIN Notice</b>	446	380	85.2%	31
<b>3.</b>	<b>EIN Notice</b>	17,974	14,450	80.4%	32
<b>4.</b>	<b>Total Issued</b>	<b>21,393</b>	<b>17,023</b>	<b>79.6%</b>	<b>38</b>

When a claimant submits a Subsistence claim stating that he or she fished or hunted to sustain his or her basic personal and/or family's dietary needs, the CAO verifies the identities of the claimed family members. To do so, the CAO attempts to match each claimed family member's name and TIN to ensure that the family member exists and that the family member was not deceased prior to or at the time of the Spill or is not an overlapping dependent already identified. The CAO first attempts to match each family member's name and TIN to public records databases through LexisNexis. To date, the CAO has sent 51,481 family members' names and TINs, associated with 19,602 claims, to LexisNexis for verification. If a family member's identity cannot be verified through LexisNexis, the CAO reviews the claim file to determine whether the family member's identity can be verified using information contained within the file. After each family member's identity has been verified or reviewed, the Subsistence team reviews the claim to determine eligibility for payment.

<b>Table 6. Subsistence Family Member Identity Verification Activity.</b>					
		<b>Awaiting Review</b>	<b>Change from Last Report</b>	<b>Reviewed</b>	<b>Change from Last Report</b>
<b>1.</b>	<b>Number of Claims</b>	0	(388)	8,848	883
<b>2.</b>	<b>Number of Family Members</b>	0	(1,484)	36,555	3,006

## **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 analysis



necessary to assign the proper NAICS code to a business. The EVR team has completed the EVR analysis for 230,386 businesses and rental properties.

From May 1, 2014, through May 31, 2014, the team completed the EVR process for 4,597 businesses and rental properties. The CAO identified an average of 140 new businesses and rental properties to review per day and completed the EVR review for an average of 148 businesses and rental properties per 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 7 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 7. 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>	18	7,546
2.	<b>BP/MDL 2179 Defendant</b>		7	370
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>	1	231
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>	14	799
9.	<b>Oil and Gas Industry</b>		35	1,043
10.	<b>BP-Branded Fuel Entity</b>		0	42
11.	<b>Menhaden Claim</b>	<b>EVR</b>	0	18
12.	<b>Financial Institution</b>		1	258

<b>Table 7. Exclusions.</b>				
	<b>Exclusion Reason</b>	<b>Team Responsible</b>	<b>Denial Notices Since Last Report</b>	<b>Total Denial Notices</b>
<b>13.</b>	<b>Gaming Industry</b>		3	725
<b>14.</b>	<b>Insurance Industry</b>		0	186
<b>15.</b>	<b>Defense Contractor</b>		4	382
<b>16.</b>	<b>Real Estate Developer</b>		4	237
<b>17.</b>	<b>Trust, Fund, Financial Vehicle</b>		0	15
<b>18.</b>	<b>Total Denial Notices from Exclusions</b>		<b>87</b>	<b>11,888</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 8 includes information on the number of CAS reviews the CAO has completed to date, whether the Accounting Support documentation was complete, and the dollar amounts reimbursed for each Claim Type.

<b>Table 8. 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>	39	10,543	7	1,056	46	11,599	\$0.00	\$15,628,756.96
<b>2.</b>	<b>IEL</b>	78	2,923	12	451	90	3,374	\$3,358.96	\$353,719.59
<b>3.</b>	<b>Seafood</b>	9	3,886	4	783	13	4,669	\$9,435.09	\$1,580,081.25
<b>4.</b>	<b>TOTAL</b>	<b>126</b>	<b>17,352</b>	<b>23</b>	<b>2,290</b>	<b>149</b>	<b>19,642</b>	<b>\$12,794.05</b>	<b>\$17,562,557.80</b>

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

The Quality Assurance (QA) process addresses three fundamental needs of the Settlement Program: (a) it ensures that all claims reviewed within the system environment are reviewed in accordance with the provisions of the Settlement Agreement by targeting anomalous claim results through data metrics analysis; (b) it provides a mechanism to monitor reviewer performance and the tools necessary to efficiently and effectively provide feedback to reviewers; and (c) it identifies areas of review resulting in high discrepancy rates that require retraining or refined review procedures and data validations.

The CAO has implemented a reviewer follow-up process for all claim types reviewed within the system environment. 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 may require retraining and reveals whether there are issues that warrant refresher training for all reviewers. Table 9 shows, by Claim Type, the number of claims identified for QA review through the system of record 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 9. Quality Assurance Reviews.<sup>7</sup></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>
<b>1.</b>	<b>Seafood</b>	25,330	25,199	99.5%	96	35	73
<b>2.</b>	<b>IEL</b>	29,899	28,285	94.6%	765	849	740
<b>3.</b>	<b>BEL</b>	26,815	25,719	95.9%	205	891	809
<b>4.</b>	<b>Start-Up BEL</b>	2,209	2,073	93.8%	70	66	51
<b>5.</b>	<b>Failed BEL</b>	2,147	2,094	97.5%	6	47	28
<b>6.</b>	<b>Coastal RP</b>	20,987	20,905	99.6%	5	77	286
<b>7.</b>	<b>RPS</b>	892	890	99.8%	0	2	27
<b>8.</b>	<b>VoO</b>	7,876	7,862	99.8%	4	10	16
<b>9.</b>	<b>Subsistence</b>	39,034	25,571	65.5%	638	12,825	1,473
<b>10.</b>	<b>Wetlands RP</b>	4,723	4,629	98.0%	61	33	213
<b>11.</b>	<b>VPD</b>	1,488	1,484	99.7%	0	4	17
<b>12.</b>	<b>TOTAL</b>	<b>161,400</b>	<b>144,711</b>	<b>89.7%</b>	<b>1,850</b>	<b>14,839</b>	<b>3,733</b>

## 6. Claim Type Review Details.

Table 10 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 to Notice, and the number of claims reviewed to either a Notice or “Later Notice” to date. Table 10 divides the claims reviewed to a “Later Notice” into separate sections: (1) claims receiving a Notice based on CAO review following the submission of additional materials by a claimant in response to an Incompleteness Notice, and (2) claims receiving a Notice following a Reconsideration review conducted by the CAO.

<sup>7</sup> Table 9 only includes system generated data that arise from quality assurance reviews of initial claim reviews that are performed within the confines of the system environment. Separate from the initial claim review, there are numerous ancillary steps within the overall claim review process in which quality assurance activities and measures are performed outside of the system environment.

**Table 10. Throughput Analysis of Claims Filed and Notices Issued.**

<b>A. Claims Reviewed to First Notice</b>										
	Claim Type	Status of All Claims Filed					Productivity From 5/1/14 Through 5/31/14			
		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	24,700	24,384	98.7%	316	1.3%	19	<1	48	2
2.	IEL	42,737	38,520	90.1%	4,217	9.9%	356	11	945	30
3.	IPV/FV	284	272	95.8%	12	4.2%	4	<1	16	<1
4.	BEL	100,757	54,172	53.8%	46,585	46.2%	1,308	42	2,133	69
5.	Start-Up BEL	5,485	3,950	72.0%	1,535	28.0%	69	2	96	3
6.	Failed BEL	3,711	2,832	76.3%	879	23.7%	41	1	20	<1
7.	Coastal RP	35,774	35,099	98.1%	675	1.9%	407	13	868	28
8.	Wetlands RP	16,312	6,279	38.5%	10,033	61.5%	704	23	499	16
9.	RPS	1,630	1,591	97.6%	39	2.4%	26	<1	32	1
10.	Subsistence	37,342	13,242	35.5%	24,100	64.5%	531	17	371	12
11.	VoO	8,752	8,686	99.2%	66	0.8%	8	<1	15	<1
12.	VPD	1,435	1,395	97.2%	40	2.8%	3	<1	6	<1
13.	<b>TOTAL</b>	<b>278,919</b>	<b>190,422</b>	<b>68.3%</b>	<b>88,497</b>	<b>31.7%</b>	<b>3,476</b>	<b>112</b>	<b>5,049</b>	<b>163</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	5,924	5,425	499	2,831	2,574	257	3,678	3,380	298
2.	IEL	16,740	14,255	2,485	8,158	6,604	1,554	5,075	4,395	680
3.	IPV/FV	96	87	9	34	33	1	38	36	2
4.	BEL	29,880	17,275	12,605	11,808	4,824	6,984	3,917	2,684	1,233
5.	Start-Up BEL	2,292	1,672	620	1,357	648	709	423	270	153
6.	Failed BEL	977	767	210	613	307	306	437	317	120
7.	Coastal RP	5,352	5,165	187	1,515	1,458	57	1,833	1,747	86
8.	Wetlands RP	387	264	123	83	58	25	503	392	111
9.	RPS	298	282	16	100	89	11	199	191	8
10.	Subsistence	5,630	1,340	4,290	1,408	231	1,177	329	132	197
11.	VoO	936	915	21	393	378	15	625	616	9
12.	VPD	782	741	41	355	338	17	252	239	13
13.	<b>TOTAL</b>	<b>69,294</b>	<b>48,188</b>	<b>21,106</b>	<b>28,655</b>	<b>17,542</b>	<b>11,113</b>	<b>17,309</b>	<b>14,399</b>	<b>2,910</b>

**C. Claim Payments.**

**1. Notices and Payments.**

Tables 4 and 5 of the Public Report attached in Exhibit A provide detail on the notices and payments issued to date. As of May 31, 2014, the CAO has issued 66,628 Eligibility Notices to unique claims with Payment Offers totaling \$5.02 billion. As of that date, the CAO has made over \$3.93 billion in payments on 62,328 claims.<sup>8</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. On May 7, 2014, the CAO approved Proc-445 version 2 as a Claims Administrator Decision following deferral by both BP and Class Counsel. Version 2 contains a revised Debtor Claimant in Bankruptcy Notice, which the CAO began issuing on May 27, 2014.

Table 11 provides information about the status of claimants identified as Debtor Claimants, including information on notices issued to those claimants.

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<sup>8</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 II.B for additional information on the injunction.

<b>Table 11. Claimants in Bankruptcy.</b>			
<b>1.</b>	<b>Identified Claimants in Bankruptcy</b>	<b>Total</b>	<b>Change Since Last Report</b>
(a)	<b>Claimants with Active Bankruptcy Holds</b>	1,899	+13
(b)	<b>Claimants with Removed Bankruptcy Holds</b>	956	+9
<b>2.</b>	<b>Bankruptcy Notices Issued</b>	<b>Total</b>	<b>Change Since Last Report</b>
(a)	<b>Debtor Claimant in Bankruptcy Notices<sup>9</sup></b>	4	+4
(b)	<b>Representative of Claimant in Bankruptcy Notices</b>	337	+4
(c)	<b>Bankruptcy Trustee Communication Notices</b>	70	+3
(d)	<b>Bankruptcy Trustee Informational Notices</b>	56	0

#### **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 its 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 69,630 Eligibility or Denial Notices issued from which claimants can or could seek Re-Review. Of those, 964 are still within the 30 day window to seek Re-Review and Re-Review has not yet been requested, leaving 68,666 claims for which the window to seek Re-Review has passed. Of those, claimants have requested Re-Review of 4,843 claims. Thus, the rate of Re-Review from all final determinations is 7.1%. The rate of Re-Review from Eligibility Notices is 4.3%, while the rate of Re-Review from Denial Notices is 13.8%.

<sup>9</sup> The Debtor Claimant in Bankruptcy Notice was created within Proc-445 version 2 to inform claimants of the appropriate documentation required for payment to be issued. This Notice effectively replaces the Representative of Claimant in Bankruptcy Notice; however, because the CAO began to issue the Debtor Claimant in Bankruptcy Notice in the middle of May, the Report for this month includes statistics related to both Notices. Hereafter, all statistics reported within this Report will be related to Debtor Claimant in Bankruptcy Notices.

Table 12 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.

<b>Table 12. 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	820	800	9	12			
2.	IEL	734	694	15	10			
3.	IPV/FV	11	11	0	<1			
4.	BEL	1,526	1,382	8	20			
5.	Start-Up BEL	116	103	1	1			
6.	Failed BEL	149	136	2	2			
7.	Coastal RP	891	855	3	12			
8.	Wetlands RP	292	284	4	4			
9.	RPS	84	84	3	1			
10.	Subsistence	114	93	13	1			
11.	VoO	57	57	0	<1			
12.	VPD	49	47	2	<1			
13.	<b>TOTAL</b>	<b>4,843</b>	<b>4,546</b>	<b>60</b>	<b>66</b>			
<b>B. Re-Review Notices Issued</b>								
	Claim Type	Notices Issued or Claims Closed		Outcome of Re-Review Notice				
		Total to Date	Weekly Average	Compensation Amount for Eligible Claims			Exclusions/Denials	
				↑	↓	↔	Confirmed	Overturned
1.	Seafood	737	11	398	30	219	87	3
2.	IEL	630	9	149	54	211	211	5
3.	IPV/FV	11	<1	0	0	0	11	0
4.	BEL	1,043	15	253	48	83	650	9
5.	Start-Up BEL	69	1	16	3	5	44	1
6.	Failed BEL	104	2	1	3	0	100	0
7.	Coastal RP	803	12	43	5	106	622	27



<b>Table 12. Re-Reviews.</b>								
<b>8.</b>	<b>Wetlands RP</b>	216	3	10	2	16	187	1
<b>9.</b>	<b>RPS</b>	47	<1	1	0	2	44	0
<b>10.</b>	<b>Subsistence</b>	52	<1	14	4	6	28	0
<b>11.</b>	<b>VoO</b>	56	<1	7	5	17	25	2
<b>12.</b>	<b>VPD</b>	44	<1	19	0	13	11	1
<b>13.</b>	<b>TOTAL</b>	<b>3,812<sup>10</sup></b>	<b>56</b>	<b>911</b>	<b>154</b>	<b>678</b>	<b>2,020</b>	<b>49</b>

## 2. Reconsideration Reviews and Outcomes.

To date, there have been 133,382 Eligibility, Denial, or Incompleteness Denial Notices issued from which claimants can or could seek Reconsideration. Of those, 1,970 are still within the 30 day window to seek Reconsideration and Reconsideration has not yet been requested, leaving 131,412 claims for which the window to seek Reconsideration has passed. Of those, claimants have requested Reconsideration of 17,309 claims. Thus, the rate of Reconsideration from all final determinations is 13.2%. The rate of Reconsideration from Eligibility Notices is 5.5%, while the rate of Reconsideration from Denial and Incompleteness Denial Notices is 22.2%.

Table 13 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.

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<sup>10</sup> 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 13. 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
				Total	Completed Since Last Report	Average Weekly Reviews			
1.	Seafood	3,678					3,490	10	39
2.	IEL	5,075					4,735	105	53
3.	IPV/FV	38					36	0	<1
4.	BEL	3,917					3,472	28	39
5.	Start-Up BEL	423					368	1	4
6.	Failed BEL	437					402	5	5
7.	Coastal RP	1,833					1,777	22	20
8.	Wetlands RP	503					455	0	5
9.	RPS	199					199	13	2
10.	Subsistence	329					208	39	2
11.	VoO	625					621	2	7
12.	VPD	252					248	9	3
13.	<b>TOTAL</b>	<b>17,309</b>					<b>16,011</b>	<b>234</b>	<b>180</b>
<b>B. Reconsideration Notices Issued</b>									
	Claim Type	Notices Issued or Claims Closed		Outcome of Reconsideration Notice					
		Total to Date	Weekly Average	Compensation Amount for Eligible Claims <sup>11</sup>			Exclusions/Denials		
				↑	↓	↔	Confirmed	Overtured	
1.	Seafood	3,380	36	759	149	477	1,677	318	
2.	IEL	4,395	47	127	92	355	2,798	1,023	
3.	IPV/FV	36	<1	0	0	0	34	2	
4.	BEL	2,684	29	314	105	221	1,063	981	
5.	Start-Up BEL	270	3	10	11	13	79	157	
6.	Failed BEL	317	3	1	5	2	240	69	
7.	Coastal RP	1,747	19	94	22	383	1,039	209	
8.	Wetlands RP	392	4	21	1	31	317	22	
9.	RPS	191	2	1	0	3	173	14	
10.	Subsistence	132	1	2	0	1	115	14	
11.	VoO	616	7	58	6	122	374	56	
12.	VPD	239	3	48	4	17	105	65	

<sup>11</sup> During this month, the CAO revised its database query for extracting data related to Reconsideration Notices Issued, which modification affected the manner in which the Compensation Amount for Eligible Claims statistics are reflected within Court Status Report No. 22. Prior period amounts have been reclassified for comparative purposes.

**Table 13. Reconsideration.**

<b>13.</b>	<b>TOTAL</b>	<b>14,399<sup>12</sup></b>	<b>154</b>	<b>1,435</b>	<b>395</b>	<b>1,625</b>	<b>8,014</b>	<b>2,930</b>
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### **3. Appeals.**

#### **(a) BP Appeals.**

To date, the CAO has issued 18,932 Eligibility Notices that meet or exceed the threshold amount rendering them eligible for appeal by BP. Of those, 28 Notices are still within the timeframe in which BP can file an appeal and BP has not yet done so, leaving 18,904 Notices that BP has either appealed or for which the deadline for BP to file an appeal has passed. Of those 18,904 Notices, BP has filed 3,950 appeals, a 20.9% appeal rate. However, out of the 3,950 Notices BP has appealed, BP has subsequently withdrawn 273 of those appeals, while another 1,339 have been resolved for a compensation amount the same as or greater than that in the pre-Appeal Eligibility Notice (excluding the 5% compensation increase that a claimant who prevails upon appeal receives). Thus, out of the 3,950 Notices BP has appealed, 1,612 have either been withdrawn or resolved for a compensation amount the same as or greater than that in the Eligibility Notice. Removing those 1,612 Notices from the 3,950 Notices BP has appealed provides a more representative and indicative “rate of disagreement” of 12.4%. Table 14 provides summary information on the status of BP appeals.

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<sup>12</sup> 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 14. 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>3,940</b>	<b>10</b>	<b>3,950</b>
<b>2.</b>	<b>Resolved Appeals</b>	<b>2,447</b>	<b>16</b>	<b>2,463</b>
(a).	Resolved by Panel Decision	1,525	6	1,531
(b).	Resolved by Parties	388	2	390
(c).	Remand to Claims Administrator	121	5	126
(d).	Administratively Closed	8	1	9
(e).	Withdrawn	272	1	273
(f).	Inactive Under Reconsideration/Re-Review	133	1	134
<b>B. Pending Appeals</b>				
<b>1.</b>	<b>In "Baseball" Process</b>		<b>1,266</b>	
<b>2.</b>	<b>Submitted to Panel</b>		<b>91</b>	
<b>3.</b>	<b>Under Discretionary Court Review</b>		<b>130</b>	
<b>4.</b>	<b>TOTAL PENDING</b>		<b>1,487</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 7,427 Post-Reconsideration Eligibility and Denial Notices. Of those, 45 Notices are still within the timeframe in which the claimant can file an appeal and the claimant has not yet done so, leaving 7,382 Notices that the claimant has either appealed or for which the deadline for the claimant to file an appeal has passed. Of those 7,382 Notices, claimants have filed 1,328 appeals, an 18.0% appeal rate. Of the 1,328 claimant appeals, 808 are appeals of Post-Reconsideration Denial Notices, while 520 are appeals of Post-Reconsideration Eligibility Notices. Table 15 provides summary information on the status of Claimant Appeals.

<b>Table 15. 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>1,305</b>	<b>23</b>	<b>1.328</b>
<b>2.</b>	<b>Resolved Appeals</b>	<b>970</b>	<b>20</b>	<b>990</b>
(a).	Resolved by Panel Decision	788	15	803
(b).	Resolved by Parties	80	0	80
(c).	Remand to Claims Administrator	29	0	29
(d).	Administratively Closed	40	1	41
(e).	Withdrawn	33	4	37
<b>A. Pending Appeals</b>				
<b>1.</b>	<b>In “Baseball” Process</b>			<b>67</b>
<b>2.</b>	<b>In “Non-Baseball” Process</b>			<b>91</b>
<b>3.</b>	<b>Submitted to Panel</b>			<b>100</b>
<b>4.</b>	<b>Under Discretionary Court Review</b>			<b>80</b>
<b>5.</b>	<b>TOTAL PENDING</b>			<b>338</b>

**(c) Resolved Appeals.**

As reported in the tables above, 3,453 appeals have been resolved. Table 16 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 16. Outcome After Appeal.</b>											
<b>Claim Type</b>		<b>Appeals Settled or Decided by Panel</b>						<b>Withdrawn</b>	<b>Admin. Closed</b>	<b>Inactive Under Recon./ Re-Review</b>	<b>Total</b>
		<b>Compensation Amount Following Appeal Compared to That of 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>	67	19	144	39	2	20	50	7	9	357
<b>2.</b>	<b>IEL</b>	20	45	75	59	9	37	11	17	4	277
<b>3.</b>	<b>IPV</b>	0	0	0	1	1	0	0	1	0	3
<b>4.</b>	<b>BEL</b>	56	463	1,148	158	48	81	202	7	105	2,268
<b>5.</b>	<b>Coastal RP</b>	35	1	20	68	4	1	8	7	0	144

<b>Table 16. Outcome After Appeal.</b>											
<b>Claim Type</b>		<b>Appeals Settled or Decided by Panel</b>						<b>Withdrawn</b>	<b>Admin. Closed</b>	<b>Inactive Under Recon./ Re-Review</b>	<b>Total</b>
		<b>Compensation Amount Following Appeal Compared to That of 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>6.</b>	<b>Wetlands RP</b>	3	1	4	33	2	0	3	2	16	64
<b>7.</b>	<b>RPS</b>	0	3	9	34	0	0	2	2	0	50
<b>8.</b>	<b>Subsistence</b>	0	0	0	0	0	0	0	3	0	3
<b>9.</b>	<b>VoO</b>	16	31	45	51	18	5	26	4	0	196
<b>10.</b>	<b>VPD</b>	1	27	29	15	0	11	8	0	0	91
<b>11.</b>	<b>Total</b>	<b>198</b>	<b>590</b>	<b>1,474</b>	<b>458</b>	<b>84</b>	<b>155</b>	<b>310</b>	<b>50</b>	<b>134</b>	<b>3,453</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 4,010 Post-Reconsideration Incompleteness Denial Notices. Of those, 62 Notices are still within the timeframe in which the claimant can file an appeal, leaving 3,948

Notices for which the claimant's appeal deadline has passed. Of the 3,948 Notices eligible for appeal, 1,935 (49.0%) appeal requests have been filed. Table 17 provides summary information on the status of Incompleteness Appeals.

<b>Table 17. Incompleteness Appeals.</b>				
<b>A. Incompleteness 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>Incompleteness Appeals Filed</b>	<b>1,889<sup>13</sup></b>	<b>46</b>	<b>1,935</b>
<b>2.</b>	<b>Appeals Resolved</b>	<b>1,529</b>	<b>45</b>	<b>1,574</b>
(a).	Withdrawn/Closed Claims	4	0	4
(b).	Cured	212	13	225
(c).	Incompleteness Denial Affirmed	1,277 <sup>14</sup>	32	1,309
(d).	Incompleteness Denial Overturned	36	0	36
<b>B. Pending Incompleteness Appeals</b>				
<b>3.</b>	<b>In Pre-Documentation Reviewer Process</b>		<b>342</b>	
<b>4.</b>	<b>Currently Before Documentation Reviewer</b>		<b>19</b>	
<b>5.</b>	<b>TOTAL PENDING</b>		<b>361</b>	

As reported in Table 17 above, 1,574 Incompleteness Appeals have been resolved.

<sup>13</sup> The total number of Incompleteness Appeals Filed reported in the previous Court Report was 1,884. Since May 1, 2014, however, the CAO has identified five additional Incompleteness Appeals that were filed prior to May 1, 2014. The CAO was unable to identify these appeals prior to May 1, 2014 because of the lag between receipt and review of documents to determine whether those documents contained appeal requests. To account for these five appeals, the CAO has increased the total number of Incompleteness Appeals Filed prior to May 1, 2014, to 1,889.

<sup>14</sup> The total number of Incompleteness Denials Affirmed reported in the previous Court Report was 1,279. Since the date of the last Report, however, the CAO has identified two claims that required further review to determine whether those claims were ripe for review by the Documentation Reviewer. Because the CAO determined the Documentation Reviewer's affirmation of the Incompleteness Denials was premature, those decisions were removed from the Incompleteness Appeal database, which now reflects 1,277 Incompleteness Denials Affirmed prior to May 1, 2014. This revision also affected the total Appeals Resolved figure in the foregoing table, which now reflects the resolution of 1,529 incompleteness appeals. In the event that the CAO determines that either of these claims remains incomplete, the claim will be sent back to the Documentation Reviewer.

## II. SETTLEMENT PROGRAM LEGAL DEVELOPMENTS

### A. Approval of the DWH Economic and Property Settlement Agreement

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 of the Settlement Agreement and to decertify the class. Additionally, BP argued on appeal 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 by a 2-1 majority the District Court's order approving the Settlement Agreement and certifying the class. 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). 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.*

On January 21, 2014, BP filed a petition for rehearing en banc of the Appeal Panel's decision. Moreover, in January, the Objectors filed various petitions for rehearing en banc or for



panel rehearing. The Court dismissed these petitions on May 19, 2014. The time to seek relief from the United States Supreme Court, however, has not yet passed.

**B. Court-Ordered BEL Claim Suspension.**

BP appealed the District Court's March 5, 2013 order affirming 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.

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

After the District Court issued its preliminary injunction on October 18, 2013, 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 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 resolved the BEL issues that were the subject of the 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 revenues with corresponding variable expenses. Further, the District Court 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 Settlement Agreement Exhibit 4B.

BP appealed the District Court's holding, and, on March 3, 2014, the Fifth Circuit Court of Appeals affirmed the District Court's December 24, 2013 holding, but ordered that the injunction remain in place until the Fifth Circuit issued its mandate. On March 17, 2014, BP filed a petition for rehearing en banc, or alternatively a panel rehearing, requesting that the Fifth Circuit consider jointly both the causation issue at hand and BP's appeal of the approval of the Settlement Agreement and certification of the class (see Section II.A of this Report for additional information).

On May 19, 2014, the Fifth Circuit denied BP's petitions for rehearing, and, in response, on May 21, 2014, BP filed with the Fifth Circuit a motion to stay the mandate lifting the injunction pending its filing of a petition for a writ of certiorari with the Supreme Court of the United States. On May 27, 2014, the Fifth Circuit denied BP's motion for a stay. Moreover, on May 28, 2014, the Fifth Circuit issued its mandate, affirming the December 24, 2013 holding of the District Court and vacating the injunction prohibiting payment of BEL claims. On the same day, the District Court issued an order dissolving and vacating the injunction and ordering the Claims Administrator to resume the processing and payment of BEL claims. Additionally, on May 28, 2014, BP filed an application with the Supreme Court of the United States requesting that the Supreme Court recall and stay the Fifth Circuit's mandate pending the filing and

disposition of its petition for a writ of certiorari. As of May 31, 2014, the Supreme Court had not yet ruled on BP's application.<sup>15</sup>

## **2. CAO Policy 495.**

While the Fifth Circuit considered the issue of causation, the CAO continued to develop an appropriate protocol or policy for handling BEL claims in which the claimant's financial records do not match revenues with corresponding variable expenses, as instructed within the District Court's December 24, 2013 order. Pursuant to this instruction, the Claims Administrator developed Policy 495 regarding the Matching of Revenue and Expenses for BEL claims, which details the methodology that the CAO Accounting Vendors will use to perform the requisite matching analyses as required by the Court. On February 12, 2014, the CAO announced Policy 495 to the Parties and provided the Parties with the opportunity to respond to the Policy.

Following consideration of comments by the Parties, on March 12, 2014, the CAO held a Panel Hearing with the Parties at the request of BP to evaluate the Policy. The following day, the CAO re-announced Policy 495. BP responded with a memorandum detailing its comments on the policy and deferred to the decision of the Claims Administrator. Class Counsel also responded to the policy announcement with a memorandum detailing its comments, objections, and suggested edits and appealed the Policy to the Court in accordance with Section 4.3.4 of the Settlement Agreement.

On May 5, 2014, the Court approved Policy 495 and authorized the Settlement Program to immediately implement the processing of BEL claims pursuant to the Policy. The Court, however, left in place for the time its preliminary injunction related to BEL claims. On May 27, 2014, Class Counsel responded, filing a motion requesting the Court alter or amend its Order

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<sup>15</sup> The Supreme Court denied the application on June 9, 2014.

adopting Policy 495. Class Counsel seeks to limit the matching triggers and policies to Cash Basis claims and to utilize a single methodology for all insufficiently matched claims, rather than selecting the applicable methodology based on a business's industry. The District Court has not yet ruled on Class Counsel's motion.

Subsequent to the Fifth Circuit's issuing its mandate with respect to the injunction on May 28, 2014, on the same day, the District Court issued an Order dissolving and vacating the injunction and directing the Claims Administrator to apply Policy 495 to all BEL claims currently in the claims process at any point short of payment (with some minor exceptions). At this point, the CAO immediately began the process of issuing payments and final determination notices on BEL claims.

Additionally, the CAO continues to process 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. Since the Order dissolving and vacating the injunction, the CAO has been in the process of revising the previously developed and applied measures within the system which addressed all Notices and payments to IEL claimants specifically affected by the Court's injunction.

### **3. Processing of Appealed Claims.**

The District Court's May 28, 2014 Order vacating the injunction also directed the CAO to apply Policy 495 to all BEL claims currently in the claims appeal process. The CAO is currently implementing the process to apply Policy 495 to all relevant claims as instructed by the District Court.<sup>16</sup>

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<sup>16</sup> On June 7, 2014, Class Counsel filed a Motion to Clarify and/or to Alter or Amend the District Court's May 28, 2014 order, particularly with respect to the application of Policy 495 to a portion of claims which previously had been appealed. The Court has not yet ruled on Class Counsel's motion.

### **III. 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 continued to service firms by providing statuses, answering questions about notices, and acting as a liaison between reviewers and firms to request additional documentation pertinent to claims review. Firm Contacts continued to participate in outreach for various claim types and program processes, including Identity Verification and Payment.

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

The CCC continued claimant outreach efforts across all claim types and review teams. The CCC continued to participate in established, on-going outreach efforts, including representation status updates, employer verification, deadline relief confirmation, payment incompleteness, and various claim-specific calls for individual damage categories.

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

The CACs complete outreach assignments as a secondary task to meeting with claimants and answering DWH-related questions. The CACs continued outreach to claimants who have incomplete claims and who have commenced but have not completed claim forms. Additionally, the CACs continued outreach to claimants who are required to complete a new Form 4506-T. To date, CACs have helped to complete over 107,000 calls for the Claimant Outreach Program.

#### **D. Summary of Outreach Calls.**

The table below summarizes some of the Claimant Outreach Program efforts as of May 31, 2014.

**Table 18. Outreach Call Volume.**

	<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 After Call</b>
<b>1.</b>	BrownGreer	107,381	31,907	25,301	79.3%	11,868	37.2%
<b>2.</b>	Garden City Group	71,421	8,604	6,433	74.8%	662	7.7%
<b>3.</b>	P&N	42,008	10,338	9,216	89.1%	210	2.0%
<b>4.</b>	PwC	811	359	349	97.2%	10	2.8%
<b>5.</b>	<b>TOTAL</b>	<b>221,621</b>	<b>51,208</b>	<b>41,299</b>	<b>80.6%</b>	<b>12,750</b>	<b>24.9%</b>

#### 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 1<sup>st</sup> day of July, 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	828	41,588	42,416	18.5%	1,694	50,051	51,745	17.7%	
2.	Florida	2,102	75,498	77,600	33.9%	5,417	82,901	88,318	30.3%	
3.	Louisiana	1,614	51,625	53,239	23.2%	2,456	73,727	76,183	26.1%	
4.	Mississippi	548	29,431	29,979	13.1%	1,029	33,392	34,421	11.8%	
5.	Texas	262	11,564	11,826	5.2%	599	15,989	16,588	5.7%	
6.	Other	1,058	13,039	14,097	6.2%	1,475	22,859	24,334	8.3%	
7.	<b>Total</b>	<b>6,412</b>	<b>222,745</b>	<b>229,157</b>	<b>100.0%</b>	<b>12,670</b>	<b>278,919</b>	<b>291,589</b>	<b>100.0%</b>	

Chart 1: Filings by State of Residence

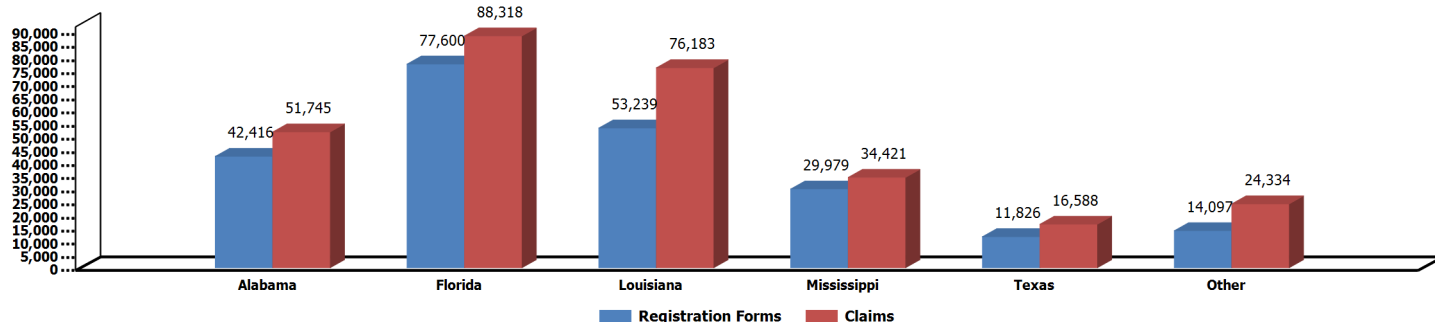
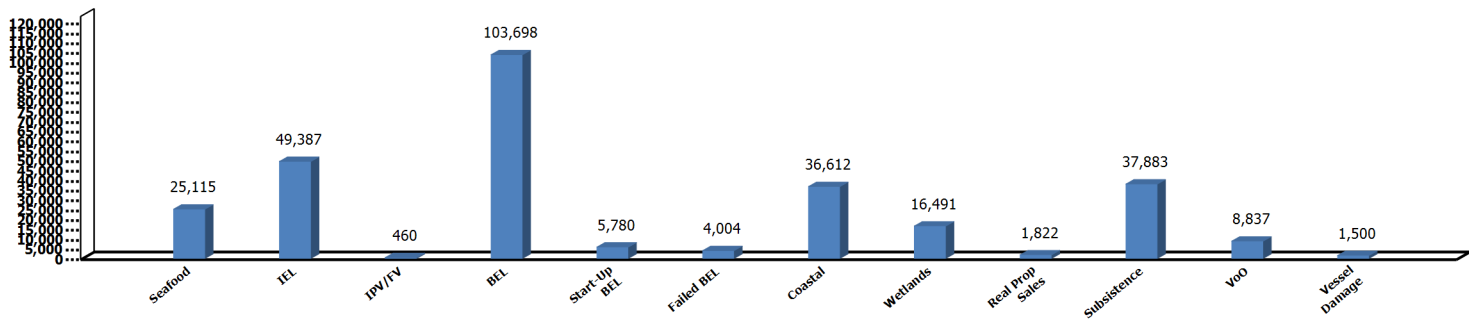


Table 2		Number of Claims by Claim Type					
		Claim Type	Claims				Unique Claimants with Form Submitted
			Form Begun	Form Submitted	Total	%	
1.	Seafood Compensation Program	415	24,700	25,115	8.6%	10,489	
2.	Individual Economic Loss	6,650	42,737	49,387	16.9%	41,763	
3.	Individual Periodic Vendor or Festival Vendor Economic Loss	176	284	460	0.2%	281	
4.	Business Economic Loss	2,941	100,757	103,698	35.6%	79,190	
5.	Start-Up Business Economic Loss	295	5,485	5,780	2.0%	4,676	
6.	Failed Business Economic Loss	293	3,711	4,004	1.4%	3,329	
7.	Coastal Real Property	838	35,774	36,612	12.6%	24,880	
8.	Wetlands Real Property	179	16,312	16,491	5.7%	3,479	
9.	Real Property Sales	192	1,630	1,822	0.6%	1,291	
10.	Subsistence	541	37,342	37,883	13.0%	37,267	
11.	VoO Charter Payment	85	8,752	8,837	3.0%	6,178	
12.	Vessel Physical Damage	65	1,435	1,500	0.5%	1,223	
13.	<b>Total</b>	<b>12,670</b>	<b>278,919</b>	<b>291,589</b>	<b>100.0%</b>	<b>196,661</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	1,504	1,533	5.0%	40	2,167	2,207	5.9%
2.	Bay St. Louis, MS	9	608	617	2.0%	29	753	782	2.1%
3.	Bayou La Batre, AL	21	1,021	1,042	3.4%	46	1,125	1,171	3.1%
4.	Biloxi, MS	37	1,523	1,560	5.1%	66	1,963	2,029	5.4%
5.	Bridge City, TX	2	418	420	1.4%	16	792	808	2.2%
6.	Clearwater, FL	73	2,499	2,572	8.4%	367	2,098	2,465	6.6%
7.	Cut Off, LA	12	480	492	1.6%	24	715	739	2.0%
8.	Fort Walton Beach, FL	9	1,325	1,334	4.4%	46	1,823	1,869	5.0%
9.	Grand Isle, LA	4	144	148	0.5%	5	227	232	0.6%
10.	Gretna/Harvey, LA	42	2,155	2,197	7.2%	49	2,187	2,236	6.0%
11.	Gulf Shores, AL	18	2,149	2,167	7.1%	70	2,828	2,898	7.8%
12.	Houma, LA	22	805	827	2.7%	42	1,046	1,088	2.9%
13.	Lafitte, LA	6	342	348	1.1%	12	475	487	1.3%
14.	Mobile, AL	73	7,575	7,648	25.0%	188	8,259	8,447	22.7%
15.	Naples, FL	27	1,371	1,398	4.6%	42	1,280	1,322	3.5%
16.	New Orleans – CBD BG, LA	13	347	360	1.2%	20	359	379	1.0%
17.	New Orleans East, LA	44	2,079	2,123	6.9%	100	2,460	2,560	6.9%
18.	Panama City Beach, FL	21	2,343	2,364	7.7%	101	3,625	3,726	10.0%
19.	Pensacola, FL	28	1,396	1,424	4.7%	71	1,737	1,808	4.9%
20.	<b>Total</b>	<b>490</b>	<b>30,084</b>	<b>30,574</b>	<b>100.0%</b>	<b>1,334</b>	<b>35,919</b>	<b>37,253</b>	<b>100.0%</b>

Chart 3: Number of Claims by Claimant Assistance Center

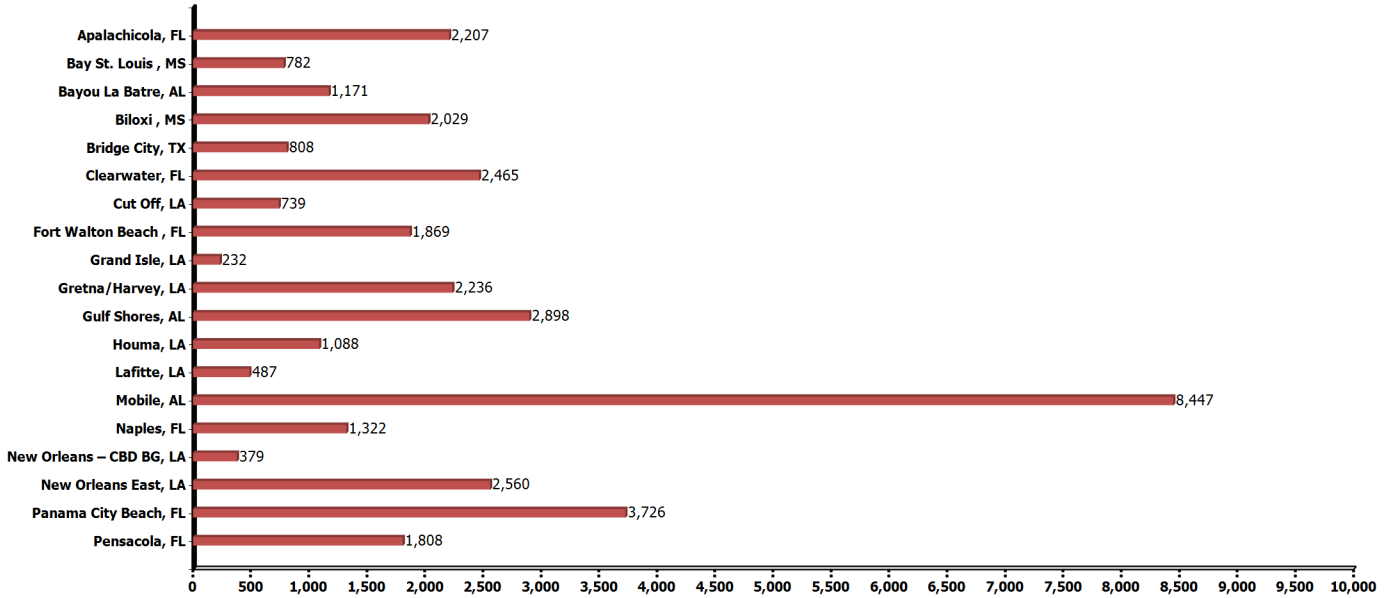
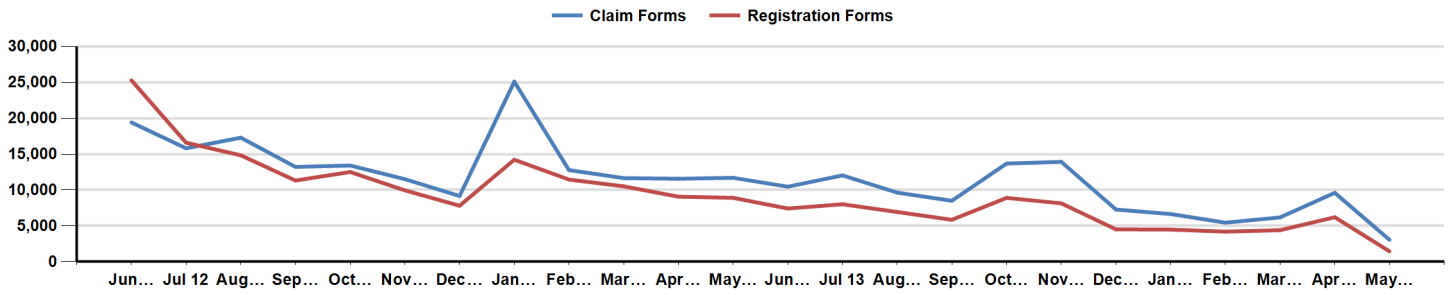


Table 4	Claim Type	Notices Issued											Total Claims Issued Notice
		Eligible - Payable	Eligible - No Payment	Incomplete	Denial					Opt-Outs	Withdrawn	Closed	
					Exclusion Denials	Prior GCCF Release	Causation Denials	Other Denials	Incomplete Denials				
1.	Seafood Compensation Program	9,223	1,120	695	48	2,440	0	491	4,738	1,161	2,541	1,829	24,286
2.	Individual Economic Loss	5,196	1,306	7,081	3,129	1,956	86	953	15,181	704	1,151	2,946	39,689
3.	Individual Periodic Vendor or Festival Vendor Economic Loss	8	0	20	4	23	0	64	122	2	69	23	335
4.	Business Economic Loss	12,448	217	26,402	631	543	2,540	304	4,909	786	3,902	1,651	54,333
5.	Start-Up Business Economic Loss	520	18	1,936	49	41	96	30	810	90	136	244	3,970
6.	Failed Business Economic Loss	36	22	810	45	91	261	566	541	106	85	277	2,840
7.	Coastal Real Property	25,180	51	324	6	804	0	4,785	1,455	367	389	1,807	35,168
8.	Wetlands Real Property	2,989	2	152	28	66	0	1,599	56	57	162	1,141	6,252
9.	Real Property Sales	666	2	36	4	53	24	566	77	12	55	113	1,608
10.	Subsistence	2,562	39	6,112	16	1,284	0	32	2,159	196	279	484	13,163
11.	VoO Charter Payment	6,992	19	48	16	0	0	594	687	91	64	113	8,624
12.	Vessel Physical Damage	808	21	77	4	0	0	115	215	20	36	90	1,386
13.	<b>Total</b>	<b>66,628</b>	<b>2,817</b>	<b>43,693</b>	<b>3,980</b>	<b>7,301</b>	<b>3,007</b>	<b>10,099</b>	<b>30,950</b>	<b>3,592</b>	<b>8,869</b>	<b>10,718</b>	<b>191,654</b>

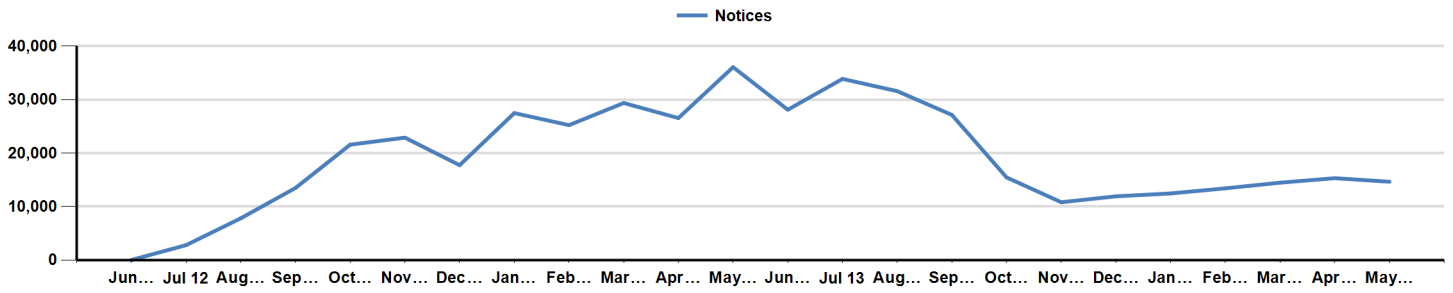
Table 5	Payment Information							
	Claim Type	Eligibility Notices Issued with Payment Offer		Accepted Offers		Payments Made		
		Number	Amount	Number	Amount	Number	Amount	Unique Claimants Paid
1.	Seafood Compensation Program	9,223	\$1,122,811,673	8,147	\$1,102,839,808	7,788	\$1,082,458,097	4,582
2.	Individual Economic Loss	5,196	\$66,917,744	4,815	\$62,995,814	4,502	\$54,594,415	4,502
3.	Individual Periodic Vendor or Festival Vendor Economic Loss	8	\$77,085	8	\$77,085	8	\$77,085	8
4.	Business Economic Loss	12,448	\$3,061,370,943	11,930	\$2,903,480,035	9,909	\$2,073,991,877	9,516
5.	Start-Up Business Economic Loss	520	\$121,416,636	497	\$114,089,558	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	25,180	\$139,834,367	24,316	\$135,396,369	23,651	\$132,097,043	18,566
8.	Wetlands Real Property	2,989	\$158,597,291	2,829	\$112,589,610	2,744	\$109,578,898	1,134
9.	Real Property Sales	666	\$32,988,762	651	\$32,270,402	635	\$31,548,683	591
10.	Subsistence	2,562	\$18,791,321	2,331	\$17,389,598	2,131	\$15,535,848	2,131
11.	VoO Charter Payment	6,992	\$279,807,730	6,967	\$277,413,952	6,920	\$276,132,560	5,265
12.	Vessel Physical Damage	808	\$12,762,175	794	\$12,300,818	761	\$11,518,158	710
13.	<b>Totals on DWH Releases</b>	<b>66,628</b>	<b>\$5,018,804,346</b>	<b>63,313</b>	<b>\$4,773,820,406</b>	<b>59,510</b>	<b>\$3,883,342,105</b>	<b>44,298</b>
14.	<b>Paid As 40% Payments to Claimants with Transition Payments</b>					<b>2,818</b>	<b>\$46,801,655</b>	<b>2,818</b>
15.	<b>Total Payments:</b>					<b>62,328</b>	<b>\$3,930,143,759</b>	<b>47,116</b>

Table 6	Appeals Received			
	Resolved Appeals			
	Appeal Status	BP Appeals	Claimant Appeals	Total Appeals
1.	Resolved by Panel Decision	1,531	803	2,334
2.	Resolved by Parties	390	80	470
3.	Withdrawn	273	37	310
4.	Administratively Closed	9	41	50
5.	Inactive Under Reconsideration/Re-Review	134	0	134
6.	Remand to Claims Administrator	126	29	155
7.	<b>Total</b>	<b>2,463</b>	<b>990</b>	<b>3,453</b>
Pending Appeals				
8.	In "Baseball" Process	1,266	67	1,333
9.	In "Non-Baseball" Process	0	91	91
10.	Submitted to Panel	91	100	191
11.	Under Discretionary Court Review	130	80	210
12.	<b>Total</b>	<b>1,487</b>	<b>338</b>	<b>1,825</b>
Grand Total				
13.		<b>3,950</b>	<b>1,328</b>	<b>5,278</b>

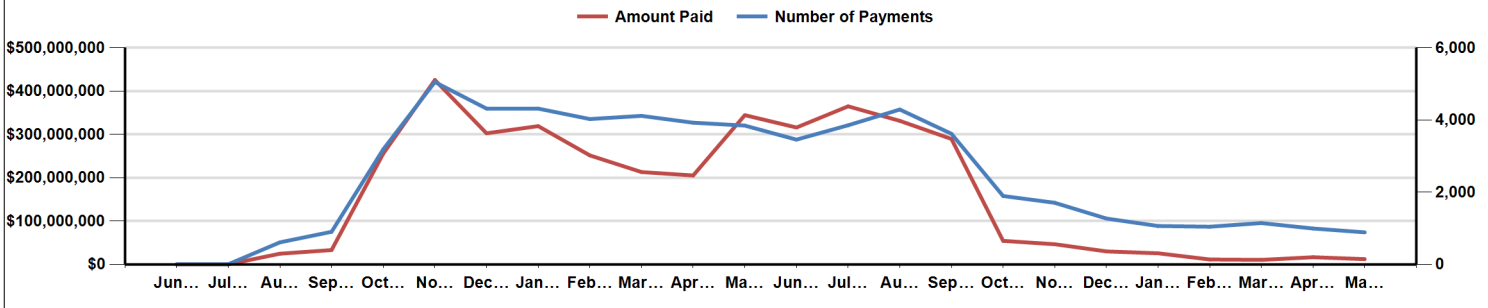
**Chart 4: Registration and Claim Forms Filed by Month**



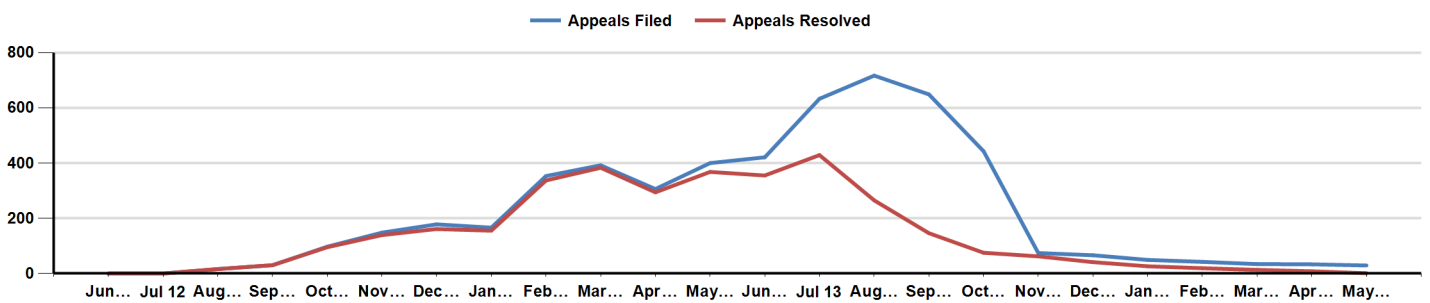
**Chart 5: Notices Issued by Month**



**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.