

PETROLEUM STRATEGIES

Your 1031 Exchange Partner

Petroleum Strategies, Inc. (PSI), provides service as a Qualified Intermediary for IRS Section 1031 transactions. Consultation services are provided to help refine procedures in handling exchanges and in structuring the transaction to the client's best advantage. This includes access to our documentation, which has been prepared using the services of legal experts in the oil and gas industry and specialists in Section 1031. Although recognized for its expertise in oil and gas transactions, PSI has also provided Intermediary service in numerous 1031 real estate exchanges.

The company's ongoing involvement is to act as Intermediary in all our clients' exchange transactions, with the aim being to provide the best possible service at a minimal price. Transactions can be handled on very short notice through the use of fax, phone, e-mail, and overnight delivery services. Our experience includes working with clients in Dallas, Denver, Midland, Houston, New Orleans, Lafayette, Oklahoma City, Tulsa, Los Angeles, New York, and Anchorage, with a range in exchange value from \$20,000 to \$2.4 billion. Multiple transactions are processed each month, and clients' rating of our performance is excellent.

PSI and its principals have a wide range of experience in the petroleum industry. Their combined knowledge of property sale and acquisition methods includes negotiated sales, auctions, bid packages and property-for-property exchange transactions. Since 1991, PSI has participated in approximately \$14.0 billion dollars in 1031 sale transactions. PSI was the first exchange company to suggest the use of an Intermediary at an oil and gas property auction. Consultation was arranged with the auctioneer to make the exchange as unobtrusive as possible, while still complying with regulations to receive the benefit of the exchange. When necessary, PSI has also helped its clients to structure and facilitate reverse exchanges.

In an effort to provide more detailed information on like-kind exchanges, included in this booklet are copies of two presentations that were made at 1031 seminars conducted by Petroleum Strategies: *Like-Kind Exchanges of Oil and Gas Interests* and *Reverse Exchanges After Revenue Procedure 2000-37*. All rights to these publications are reserved.

It is the desire of the PSI staff to establish a relationship that gives our clients access to the best service possible in facilitating like-kind exchanges. Our experience in the oil and gas industry, combined with expertise in exchange services, gives PSI a unique ability to assist a company in its overall strategy relating to the acquisition and divestment of oil and gas assets. Our performance provides assurance that you will want to continue to work with us over a long term. If we can be of service to you in facilitating a 1031 like-kind exchange transaction, please call us.

Dale A. Brown, President