

CLIENT QUESTIONNAIRE

Client Name: _____

Number of wells to be accounted:

Operated by state:

# of Wells	State	# of Purchasers
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Non-operated by state:

# of Wells	State	# of Operators	EnergyLink Subscription (Y/N)
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Is client responsible to pay burdens? (Y/N) _____

Does client take in kind? (Y/N) _____

Method of Accounting (successful efforts or full costs): _____

Entities to account for:

Please provide a company organization chart

CLIENT QUESTIONNAIRE

Number of checks written monthly:

- ____ A/P checks
- ____ Royalty checks
- ____ Total number of vendors
- ____ Total number of land obligations
- ____ ACH Payments

Accounts Payable:

- ____ Total number of vendors
- ____ Total number of monthly invoices

Regulatory reporting by state (number of wells):

State: _____

- ____ Royalty Rpt
- ____ Severance Tax Rpt
- ____ Production Rpt

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CLIENT QUESTIONNAIRE

Division of Interest:

- ___ Average number of royalty owners per well disbursed
- ___ Average number of working interest owners on operated well
- ___ Total number of royalty owners
- ___ Total number of working interest owners
- ___ Number of leases to be maintained
- ___ Revenue/JIB Netting (Yes or No)

Cash Management:

- ___ Number of bank accounts to reconcile monthly
- ___ Use of positive pay (Yes or No)
- ___ Use of vendor ACH (Yes or No)
- ___ Use of royalty ACH (Yes or No)

Employee support for the above properties:

- ___ Number of current A/P employees
- ___ Number of current joint interest billing employees
- ___ Number of current revenue employees
- ___ Number of current production employees
- ___ Number of current regulatory reporting employees
- ___ Number of current financial reporting employees
- ___ Number of current treasury employees
- ___ Number of current land employees
- ___ Other / Support Staff

CLIENT QUESTIONNAIRE

Other activities required:

- Gas Balancing - number of wells
- Gas Balancing (Pipeline)
- Cash out agreements on pipeline imbalances
- Payout Reports - number of payouts
- Effective date of acquisition
- Property history (if required to be loaded) - Earliest production year
- Property history (if required to be loaded) - Earliest accounting year
- Does the client have a Marketer for Oil & Gas
- Currency

Current accounting system to extract data from:

Current land system to extract data from:

Current document management system to convert data from, if applicable:

Current production system used by client, if applicable:

CLIENT CHECK LIST OF REQUESTED SERVICES

Financial reporting / general ledger

- Prepare and maintain general ledger and property ledger to include reconciliations
- Compile monthly financial reporting package
- Provide for Client management's internal review, a monthly financial report package, as defined by Client
- Coordinate with Client and prepare and distribute a monthly closing schedule
- Prepare and record journal entries as needed

Revenue

- Process revenue in accordance with industry standards, to include coding and inputting quantities and values to the revenue accounting system by production and accounting date
- Process data relative to payment of revenues to other working interest or royalty owners, if applicable
- Receive and answer royalty and working interest owner correspondence
- Reconcile revenue clearing and suspense accounts monthly
- Monitor revenue suspense and generate monthly suspense ledgers
- Prepare and file annual 1099's relative to revenue distributions
- Calculate, prepare and remit regulatory royalty payments and reports
- Calculate, prepare and remit severance taxes and appropriate state reports
- Electronic revenue data exchange

CLIENT CHECK LIST OF REQUESTED SERVICES

Accounts payable

- Receive and process administrative and operational invoices and inquiries made by client and vendors, monitor invoices for proper working interest, reasonableness of charges, prepayment balances etc.
- Provide a pre check register for approval prior to printing checks
- Receive and respond to vendor inquiries
- Review, monitor, analyze and resolve (with Client approval of terms) any over/under billings, suspense issues, etc.
- Prepare annual 1099's relative to accounts payable distribution
- Electronic invoice processing

Accounts receivable

- Enter and apply cash receipts
- Generate aging reports

Joint interest billing

- Prepare, process and mail joint interest billings
- Record monthly COPAS overhead rates
- Maintain monthly allocation charges
- Generate cash calls and prepayments
- Pursue collection of joint interest receivables with Client approval
- Provide detailed expense and capital analysis to field locations as required by Client
- Reconcile related general ledger accounts
- Electronic JIB data exchange
- Accumulate, allocate and distribute central processing facility costs to appropriate wells

CLIENT CHECK LIST OF REQUESTED SERVICES

Cash Management

- Generate Revenue, Accounts Payable and Land Checks
- Maintain and reconcile bank account and provide cash reports
- Record wire transfers
- Record void checks
- Research outstanding payments
- Upload ACH to Bank, Positive Pay File

AFE

- Setup AFE and input cost estimates
- Generate variance reports

Property reports

- Maintain property information reports and prepare related lease operating statements by accounting month and by production month as defined by Client
- Prepare payout statements
- Prepare gas balancing reports

CLIENT CHECK LIST OF REQUESTED SERVICES

Production Allocation & Reporting

- Enter monthly production volumes as provided by Client
- Data Collections: Allows entry of daily or monthly records either via handheld field data capture, SCADA, or manual entry
- Non-Op Data Collections: Allows entry of oil, gas, and water data for non-operated properties
- Complex Multi-Tier Allocations: Distributes sales volumes based on production at the well and lease level
- Allocation History: Provides a historical record for viewing and comparing previous allocations
- Reports: Generates a variety of production and allocation reports
- Import & Export: Import financial/production data from external sources; exports production data to an external system
- Generate monthly variance report to compare production to revenue volumes received

Land Administration

- Maintain lease information
- Generate Division Orders
- Generate rental calendars as requested by Client
- Generate and mail related invoices to participants
- Process delay rental payments and other related obligations
- Prepare and file Federal and State 1099 reports
- Set-up and maintain oil & gas revenue division of interest disbursement files based on information provided by Client
- Set up and maintain division of interest billing decks based on information provided by Client

Other

- _____
- _____
- _____
- _____