



# Owner Relations Check Detail





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# Revenue Statement

**Owner**

(B) 1234567  
ROYALY OWNER NAME  
P.O. BOX 1234  
LIBERTY, TX 77301

**Operator**

REPSOL OIL & GAS USA, LLC  
337 DANIEL ZENKER DRIVE  
HORSEHEADS, NY 14845  
1-866-566-4747 (A)  
infous@repsol.com

**Check**

Check Number E00000012345 (C)  
Check Amount 2,475.24  
Check Date September 22, 2023 (D)  
Check Type EFT (E)

Sales Date	Interest Type	Tax or Deduct Code	Owner Interest	Distribution Interest	Property						Owner			
					BTU	Volume	Price	Value	Taxes and Deductions	Amount after Taxes and Deductions	Volume	Value	Taxes and Deductions	Amount after Taxes and Deductions
(F) 12870201001 ZAPP A 1H, State: TX, County: LA SALLE Operator API# - 4228333209														
(G) ETHANE - C2														
(H) Jul 23	(I) RI		0.04166666	0.04166666		(N) 396.14	(O) 0.32	(P) 126.00		(R) 120.63	(S) 16.51	(T) 5.25		(V) 4.86
Jul 23		(J) TAX	(K) 0.04166666	0.04166666	(L)				(Q) (5.37)				(U) (0.39)	
GAS (MCF)														
Jul 23	RI		0.04166666	0.04166666	(M) 1.3044	100.30	2.51	251.97		251.97	4.18	10.50		10.50
ISO-BUTANE - IC-4														
Jul 23	RI		0.04166666	0.04166666		54.34	0.84	45.60		42.73	2.26	1.90		1.76
Jul 23		TAX	0.04166666	0.04166666					(2.87)				(0.14)	
NATURAL GASOLINE -C5+														
Jul 23	RI		0.04166666	0.04166666		83.98	1.39	117.12		109.21	3.50	4.88		4.51
Jul 23		TAX	0.04166666	0.04166666					(7.91)				(0.37)	
NORMAL BUTANE - NC-4														
Jul 23	RI		0.04166666	0.04166666		69.60	0.75	52.32		49.11	2.90	2.18		2.02
Jul 23		TAX	0.04166666	0.04166666					(3.21)				(0.16)	
OIL (BBL)														
Jul 23	RI		0.04166666	0.04166666		(14.16)	69.83	(988.80)		(943.23)	(0.59)	(41.20)		(39.30)
Jul 23		TAX	0.04166666	0.04166666					45.57				1.90	
Aug 23	RI		0.04166666	0.04166666		115.92	76.25	8,838.48		8,431.19	4.83	368.27		351.30
Aug 23		TAX	0.04166666	0.04166666					(407.29)				(16.97)	
PROPANE - C3														
Jul 23	RI		0.04166666	0.04166666		188.16	0.62	116.88		110.05	7.84	4.87		4.50
Jul 23		TAX	0.04166666	0.04166666					(6.83)				(0.37)	
RESIDUE GAS														
Jul 23	RI		0.04166666	0.04166666	1.0179	143.47	2.37	339.60		339.60	5.98	14.15		14.15
<b>Total Property</b>											<b>370.80</b>	<b>(16.50)</b>	<b>354.30</b>	

Represented Unit of Measure: Gas = MCFs, Plant Products = GALs, Oil = BBLs

Generated on Tuesday, October 10, 2023 3:52 PM

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# Revenue Statement

**Owner**

1234567  
 ROYALTY OWNER NAME  
 P.O. BOX 1234  
 LIBERTY, PA 16930

**Operator**

REPSOL OIL & GAS USA, LLC  
 337 DANIEL ZENKER DRIVE  
 HORSEHEADS, NY 14845  
 1-866-566-4747  
 infous@repsol.com

**Check**

Check Number 12345678  
 Check Amount 50.67  
 Check Date September 22, 2023  
 Check Type Check

Sales Date	Interest Type	Tax or Deduct Code	Owner Interest	Distribution Interest	Property						Owner			
					BTU	Volume	Price	Value	Taxes and Deductions	Amount after Taxes and Deductions	Volume	Value	Taxes and Deductions	Amount after Taxes and Deductions
<b>(F) 1325640009 GUILLAUME (08-714-02) 2H. State: PA. County: TIOGA Operator API# - 3711722001</b>														
<b>(G) GAS (MCF)</b>														
Jun 23	(I) RI		0.00141027	0.00002411	(M) 1.0307	(N) 73,604.02	(O) 1.10	(P) 81,313.64		(R) 80,712.02	(S) 1.77	(T) 1.96		(V) 1.12
Jun 23		(J) COMP	(K) 0.00141027	(L) 0.00002411					(Q) (279.19)				(U) (0.39)	
Jun 23		GAHA	0.00141027	0.00002411					(322.43)				(0.45)	
Jul 23	RI		0.00141027	0.00002411	1.0307	77,741.52	1.09	85,032.91		84,355.31	1.87	2.05		1.10
Jul 23		COMP	0.00141027	0.00002411					(347.91)				(0.49)	
Jul 23		GAHA	0.00141027	0.00002411					(329.69)				(0.46)	
<b>Total Property</b>											<b>4.01</b>	<b>(1.79)</b>	<b>2.22</b>	

<b>Check Total</b>	<b>Owner Gross Value</b>	<b>Owner Deductions</b>	<b>Owner Taxes</b>	<b>Non Revenue Deductions</b>	<b>Owner Net Value</b>
	374.81		(18.29)		356.52

Check Number	12345678	Owner	1234567 ROYALTY OWNER NAME	Operator	REPSOL OIL & GAS USA, LLC
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Legend	
<b>Interest Types</b>	
RI - ROYALTY INTEREST	
<b>Deduction Codes</b>	
COMP - COMPRESSION	GAHA - GATHERING

Represented Unit of Measure: Gas = MCFs, Plant Products = GALs, Oil = BBLs

Generated on Wednesday, October 11, 2023 6:24 AM

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# Check Details

**(A) Owner Relations:** Repsol Oil & Gas USA, LLC (Repsol) can be contacted by calling 1-866-566-4747, emailing [infous@repsol.com](mailto:infous@repsol.com) or through the following website <https://www.repsol.us/en/owner-relations>; please use this phone number, email address, or website to contact Repsol.

**(B) Owner Number:** The number assigned uniquely to you. You should include this number on all correspondence with Repsol.

**(C) Check Number:** The check or Electronic Funds Transfer (EFT) number that identifies your payment.

**(D) Check Date:** The date your payment was made.

**(E) Check Type:** Either Check or EFT. If you would like to receive payments faster, more secure, and save time please complete and return the Direct Deposit Form found on our Owner Relations site or contact Owner Relations.

**(F) Property Number/Property Name/State/County/API Number:** The information used to identify and provide the location of your well.

**(G) Product Name/Code:** The type of product sold. See unit of measure reference on bottom of statement. Generally, Gas is in MCF's (1,000 cubic feet), Plant Products are in Gallons, and Oil is in barrels.

**(H) Sales Date:** The month and year the product was sold.

**(I) Interest Type:** The type of interest you own in the property.

**(J) Tax or Deduct Code:** The code used to identify the type of Adjustment. Codes are identified in the legend at bottom of the statement.



# Check Details

- (K) Owner Interest:** Your share of ownership in the property, shown as a decimal. This will match what is on your current Division Order.
- (L) Distribution Interest:** Your share of ownership in the property with adjustments for marketing arrangements, shown as a decimal.
- (M) British Thermal Unit (BTU):** The measure of heat energy content in the hydrocarbons.
- (N) Property Volume:** Gross quantity; total volume of product sold.
- (O) Property Price:** The product unit price.
- (P) Property Value:** Gross value; total value of the product sold prior to any taxes or other adjustments.
- (Q) Property Taxes and Deductions:** The total amount of tax or deduction for the product as noted in the Tax or Deduct Code **(J)**.
- (R) Property Amount after Taxes and Deductions:** The net for the property after taxes & deductions. Property Value **(P)** less Property Taxes and Deductions **(Q)**.
- (S) Owner Volume:** Property Volume **(N)** Multiplied by Distribution Decimal **(L)**
- (T) Owner Value:** Property Value **(P)** Multiplied by Distribution Decimal **(L)**
- (U) Owner Taxes and Deductions:** Property Taxes and Deductions **(Q)** Multiplied by Distribution Decimal **(L)**
- (V) Owner Amount after Taxes and Deductions:** Your share of the property net value (Owner Value **(T)** Less Owner Taxes and Deductions **(U)**)
- (W) EnergyLink:** This website contains your online revenue statements and 1099s for review.

# 1. How do I calculate my interest?

Your Owner Interest (K) (sometime referred to as Net Revenue Interest or NRI) is equal to the number of net mineral acres (NMA) you own divided by the spacing unit acreage established for the well multiplied by the base royalty provided for in your oil and gas lease.

- **Formula:** (Net Mineral Acres / Spacing Unit Acreage) x Royalty Rate
- **Example:** If you own 10 net acres in a 640-acre spacing unit and your lease provides for a 3/16ths royalty, your interest is calculated as follows:
- $10 \text{ (NMA)} / 640 \text{ (Spacing Unit Acreage)} \times 3/16 \text{ (Royalty Rate)} = 0.00292968$

## Multi-Unit Wells

If you own an interest in a multi-unit well, your Owner Interest (K) would then be multiplied by the allocation factor for the unit in which you own. The allocation factor for a multi-unit well is set forth in your division order. The allocation factor is determined by dividing the length of the completion interval located within the affected unit by the entire length of the completion interval, which is measured from the first take point to the last take point, in the subject multi-unit horizontal well.

- **Example:** In the same scenario above, if the allocation factor for the unit in which you own was 50%, your calculation would be as follows:
- $10 \text{ (NMA)} / 640 \text{ (Spacing Unit Acreage)} \times 3/16 \text{ (Royalty Rate)} \times 50\% \text{ (Allocation Factor)} = 0.00146484$

## 2. What is Net Mineral Acreage (NMA)?

- Net mineral acreage is your ownership in a tract of land multiplied by the gross acreage in said tract.
- **Example:** If you own 20% (or 1/5) interest in a 100-acre tract of land, you own 20 NMA out of the 100 gross mineral acre tract

## 3. What is a Division Order?

- A division order is a record of your interest in a specific well. It contains your name, address, Owner Interest (K), the spacing unit acreage, legal description of the well (F), interest type, allocation factor (if applicable), well number and well name.
- Division orders are issued to all owners in a specific well after that well has had first sales of either oil or gas.
- Amended division orders will be issued if a well undergoes a “rework” of ownership due to a spacing unit change, updated title information, or revised allocation factors. Amended division orders will also be issued when a transfer of interest occurs between two or more parties.
- You should only receive a division order if your interest has been calculated for a well’s initial disbursement or has been affected by some change that has occurred. Upon examination of your division orders, you should keep one copy for your records and remit an executed copy back to Repsol.



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## 4. Why is the Distribution Decimal [L] different than my Owner Interest [K]?

Distribution Decimal is your share of ownership in the property with adjustments for marketing arrangements, shown as a decimal. Your Distribution Decimal is inflated or deflated based on other Working Interest Owner(s) taking their gas in kind and/or having other marketing arrangements. This can fluctuate and can differ from the Owner Interest (K).

## 5. I believe my Owner Interest [K] is incorrect, What do I need to do next?

If you determine there are discrepancies with how your interest has been calculated, please provide in writing a full explanation of how you believe your interest should be calculated along with the supporting documentation to [infous@repsol.com](mailto:infous@repsol.com).

## 6. How is Distribution Interest Calculated?

Given the number of scenarios that exist for the marketing of production and the potential impacts to Distribution Interest it is not possible to calculate the Distribution Interest using information from a division order or revenue statement. If you have questions concerning the Distribution Interest, please contact Owner Relations and provide your owner number, property number and the nature of your question as well as supporting information.

The gross revenue interest (GRI) is the sum of the owner's net revenue interest, and any additional burdens due to bearer groups, royalty interest owners, or others for whom the owner is responsible. Only working interest owners have gross revenue interest.

### **Gross Revenue Interest (GRI) Formula and Example**

$GRI = \text{Working interest NRI} + (\text{Owner Net Revenue Interest} * \text{bearer percent})$

WI Company A (GRI) =  $0.4375 + (0.125 * 0.60) = 0.5125$

WI Company B (GRI) =  $0.4375 + (0.125 * 0.40) = 0.4875$

### **Distribution Interest (DI) Formula and Example**

$DI = (\text{Owner Net Revenue Interest} * \text{Working Interest Owner's Share of Bearer Group}) / GRI$

DI WI Company A Owner Interest =  $(0.125 * 0.60) / .5125 = 0.14634146$  (Inflated Owner Interest)

DI WI Company B Owner Interest =  $(0.125 * 0.40) / .4875 = 0.10256410$  (Deflated Owner Interest)