Excalibur’s Joint Interest Billing (JIB) system is a highly flexible energy industry billing system that categorizes costs for different classifications of well completion and operations and then distributes the costs among the working interest ownership and generates comprehensive invoices to the working interest partners. This system integrates with transactions flowing from the Accounts Payable, Accounts Receivable, Asset Management and General Ledger systems. Invoice data for working interest owners flows from the JIB system to the Accounts Receivable system to update the owners’ accounts. JIB invoice data also integrates with the Excalibur Revenue system so that you can net an owners share of costs against the revenue to be distributed to that owner.

Divisions of Interest (DOI) Features
• Based on cost categories (Cost Types) such as IDC and LOE.
• Effective-dated DOI for matching correct DOI to billable transactions.
• Unlimited number of DOIs allowed for a property.
• Copy feature for creating a new DOI from an existing DOI.
• Multiple cost types and properties allowed for a single DOI to speed data entry.
• Suspend distribution option for handling incomplete DOIs.
• Suspend invoicing option for handling disputed or unresolved charges.
• Option to net JIB costs against revenue on an owner basis or on an owner/well basis.
• Total interests must always add up to an exact 100%.
• Mass owner change capability for JIB decks.

Accounting Controls and Features
• Generates all accounting entries, including:
  ◦ Cutback account (for company net share)
  ◦ Receivable account (for working interest partners net shares)
  ◦ Income/expense accounts (for overhead and promotes) and Prepayment accounts (for application against partners prepayments)
• Calculates balancing interests for transactions to non-operated properties.
• Joint Interest Billing Data Exchange (JIBE) send and receive capabilities for electronic processing of JIB invoices.
• Inter-company posting to the affiliate company’s detail expense accounts.
• Applies partners share of expenses against partners prepayment balance.
• Ability to net partners share of expenses against partners share of revenues at the owner or well level.
• Ability to suspend invoicing on an owner-by-owner basis.
• One-time contract data entry for handling fixed, recurring payments.
• Automatic allocation of transactions from a main property to any number of sub properties (wells).
• Unlimited lines of description for each billable transaction.
Accounting Controls and Features Continued

- Pre-billing edit capabilities for JIB transactions:
  - Automatically or manually apply different DOIs to a transaction
  - Modify a transactions detail description
  - Apply or remove netting against revenue on a property, cost type, or owner basis or all three
  - Suspend or release invoicing on a property, cost type, or owner basis or all three
  - Automatic reversal and re-billing of any historical billing.

Overhead Features

- Calculates and bills common types of overhead:
  - Fixed rate drilling
  - Fixed volume
  - Percentage rate construction
  - Percentage rate labor
  - Fixed rate producing
  - Flat rate
  - Percentage rate drilling
  - Percentage rate producing

- Ability to group wells by tier method for overhead calculation.
- Adjusts overhead based on well depth, well count and product volumes.
- Ability to control calculation at the owner level so that different rates can be charged to different owners for the same property.
- Escalation of fixed rates based on annual COPAS inflation percentage.
- Adjustment capability at a well or owner level.
- Reversal of calculated overhead charges.

Invoicing Features

- 8/8ths gross amounts displayed for each transaction and owners share displayed by cost type sub-total.
- Invoices can be either detail level (each transaction shown), or summary level (totals by account number) on an owner or cost type basis as you specify.
- If prepayment from an owner exists, the amount applied against the prepayment and the remaining prepayment balance is shown, by cost type.
- Charges netted against revenue are shown as such, by cost type.
- Invoice summary provided for each owner showing totals by well and amounts applied against prepayments or netted against revenue.
- System-generated invoices reside in a hold file for printing.
- Joint Interest Billing Data Exchange (JIBE) send capabilities for electronic transmittal of invoice data to specified owners.
- Ability to send Joint Interest Billings to owners via e-mail.
- Option to apply net revenue against all owner accounts receivable invoices.

Reporting

- Comprehensive pre-billing and post-billing control reports.
- Tracking of both 8/8ths gross and owner net share of transactions.
- Full detail available on all items billed from inception, by owner or well.
- Full audit trail of all accounting transactions, by well or account.
- On-line display of 8/8ths gross charges for any range of accounting and activity dates, for any property.

Contact P2 Energy Solutions, info@P2energysolutions.com, for more information or for a demonstration.