



Reading a Check Detail

Check Stub Detail – General Information

Encana Oil & Gas (USA) Inc.
370 17th Street, Suite 1700
Denver, CO 80202

Owner Relations
Phone: 1 (866) 917-3700
E-mail: encanasupport@pdsei.com

Owner Information

Owner:
QRA Check Number:
Check Date:
Check Amount:

Legend - the various
abbreviations found on
the detail (i.e.
deductions, taxes, etc.)

Legend			
Product Codes (PC)	Interest Types (Int Type)	Tax Type Codes	Deduct Codes (Ded Cd)
100 - Oil (50) 200 - Gas (prod) 300 - Condensate (50) 400 - Plant Products (50) 500 - Helium DRP - Drip Condensate (50)	NM - Non-Strip Mineral Int NP - Net Profit Int RI - Royalty Interest RM - Royalty-Minor OM - Overriding Royalty-Minor OS - Overriding Royalty-Strip Out OR - Overriding Royalty OU - Overriding Royalty-Settlement OU - Overriding Royalty-Unit Allow OU - Reversionary Override	AV - Ad Valorem AV1 - Ad Valorem Tie-up CV - Conservation Tax FE - Environmental Tax (Gas) MF - Oil and Gas Maintenance Charge PH - Production Tax SOSCH - School Tax ST - Statewide Interest Tribal Serv Tax TV - Severance Tax	01 - Compression 02 - Dehydration 03 - Processing 04 - Treating 05 - Transportation Fuel 06 - Unutilized Gas Transport 07 - Unutilized NGL Transport 08 - Treating Midp Adj 09 - Treating Midp Adj Offset 10 - Other 11 - Gathering 12 - Production Interest 13 - Compressor Fuel 14 - Compressor Fuel - Other 15 - High Pressure Gath 16 - Low Pressure Gath 17 - Gas Liquid Adj Dip 18 - Gas Liquid Adj NGL 19 - Marketing 20 - Shrink 21 - Transportation (EMUS) 22 - Transportation 23 - Pipeline 24 - Plant Thermal Reduction 25 - Production Tax Interest 26 - Lease Use 27 - Processing Fuel 28 - Compressor Transportation OR - Oil Refractory/Processors Tax

Revenue broken out by
well

Well Number	Property Name	PC	Settlement	SOD	MCF/SBL	Wh MMBTU	Well Gross	Well Gross	Well Gross	Tax	Well	Ded	Well
Date	County	Int	Deciml	Price	MMBTU	BTU Factor	Owner Vol	Owner Gross Value	Owner Serv	Type Cd	Owner	Code	Net Value
		Type		State	Avg Price		(mcf)(100)	\$	\$		Deducts \$		\$
79837	KORTH A UNIT 1H	100	0.010857000	TX	32.85	0.000	2,800.20	94,953.76	18.08	FE			90,967.88
03/01/2018	Karnes	RI			0.000	0.000	31.98	1,091.00	0.20	PR			983.98
79837	KORTH A UNIT 1H	100	0.01085437500	TX	32.85	0.000	2,800.20	94,953.76	18.08	FE			90,967.88
03/01/2018	Karnes	RI			0.000	0.000	56.48	1,855.75	4,967.87	PR			1,770.04
79837	KORTH A UNIT 1H	200	0.010857000	1.89	1.24	3,328.15	2,800.81	3,289.19	7.77	FE	0.00	05	1,883.28
03/01/2018	Karnes	RI			1.000	1.251	28.86	95.73	137.05	PR	1,074.88	15	32.14
79837	KORTH A UNIT 1H	200	0.010857000	1.89	1.24	3,328.15	2,800.81	3,289.19	7.77	FE	0.00	05	1,883.28
03/01/2018	Karnes	RI			1.000	1.251	52.08	84.29	137.05	PR	1,074.88	15	57.84
79837	KORTH A UNIT 1H	400	0.010857000	15.26	0.000	0.000	252.12	3,943.20	0.00	FE	721.38	05	2,426.27
03/01/2018	Karnes	RI			0.000	0.000	2.74	36.30	196.64	PR	7.85		28.35
79837	KORTH A UNIT 1H	400	0.01085437500	15.26	0.000	0.000	252.12	3,943.20	0.00	FE	721.38	05	2,426.27
03/01/2018	Karnes	RI			0.000	0.000	4.89	65.34	196.64	PR	14.10		47.40
79837 - KORTH A UNIT 1H Subtotal								3,088.41	143.52		27.74		2,917.13
79838	KORTH A UNIT 2H	100	0.010857000	TX	32.85	0.000	2,495.94	81,907.59	15.60	FE			78,210.08
03/01/2018	Karnes	RI			0.000	0.000	27.10	890.32	0.17	PR			840.20
79838	KORTH A UNIT 2H	100	0.01085437500	TX	32.85	0.000	2,495.94	81,907.59	15.60	FE			78,210.08
03/01/2018	Karnes	RI			0.000	0.000	48.78	1,802.54	3,771.89	PR			1,528.58
79838	KORTH A UNIT 2H	200	0.010857000	1.89	1.24	6,981.73	5,981.79	6,900.00	3.72	FE	0.00	05	3,950.70
03/01/2018	Karnes	RI			1.000	1.251	60.80	74.82	287.50	PR	2,254.88	15	67.36
79838	KORTH A UNIT 2H	200	0.01085437500	1.89	1.24	6,981.73	5,981.79	6,900.00	3.72	FE	0.00	05	3,950.70
03/01/2018	Karnes	RI			1.000	1.251	108.08	134.87	287.50	PR	2,254.88	15	121.30
79838	KORTH A UNIT 2H	400	0.010857000	15.26	0.000	0.000	528.88	7,013.48	0.00	FE	1,513.30	05	5,087.87
03/01/2018	Karnes	RI			0.000	0.000	5.74	76.15	412.51	PR	18.45		55.24

Each well is broken
down based off of
differing product type,
sales date, sequence,
interest type, etc.

Well Number	Property Name	PC	Entitlement	SOD	MCF/BBL	Wh MMBTU	Well Gross	Well Gross	Well Gross	Tax	Well	Well	Well
Sales Date	County	Int	Dec	Price	Avg Price	BTU Factor	Vol (mcf)/(bbl)	Value \$	Owner Gross Value	Owner Gross Value	Type Col	Owner	Owner
		Type										Net Value \$	Net Value \$
76837	KORTH A UNIT 1H	100	0.0108579000	TX	32.85	0.00	2,890.20	94,953.70	94,953.70	15.00	FE	96,567.85	96,567.85
03/01/2016	Karnes	RI			0.000	0.000	31.38	1,031.00	1,031.00	0.25	PR	963.38	963.38
76837	KORTH A UNIT 1H	100	0.0195437500	TX	32.85	0.00	2,890.20	94,953.70	94,953.70	47.42	FE	96,567.85	96,567.85
03/01/2016	Karnes	RI			0.000	0.000	56.49	1,855.75	1,855.75	0.35	PR	1,770.04	1,770.04
76837	KORTH A UNIT 1H	200	0.0108579000	TX	1.24	3,328.15	2,660.81	3,289.19	3,289.19	1.77	FE	1,863.38	1,863.38
03/01/2016	Karnes	RI			1.000	1.251	28.89	35.79	35.79	0.00	PR	32.14	32.14
76837	KORTH A UNIT 1H	200	0.0195437500	TX	1.24	3,328.15	2,660.81	3,289.19	3,289.19	1.77	FE	1,863.38	1,863.38
03/01/2016	Karnes	RI			1.000	1.251	52.00	64.29	64.29	0.00	PR	57.84	57.84
76837	KORTH A UNIT 1H	400	0.0108579000	TX	13.26	0.00	252.12	3,343.29	3,343.29	0.00	FE	2,425.27	2,425.27
03/01/2016	Karnes	RI			0.000	0.000	2.74	36.36	36.36	0.00	PR	26.33	26.33
76837	KORTH A UNIT 1H	400	0.0195437500	TX	13.26	0.00	252.12	3,343.29	3,343.29	2.14	FE	2,425.27	2,425.27
03/01/2016	Karnes	RI			0.000	0.000	4.93	65.34	65.34	0.00	PR	47.40	47.40
								3,085.43	3,085.43	143.52		2,917.13	2,917.13

Wellhead MMBTU =
MCF volume * BTU Factor

Well Information
with Sales Date

Well Number	Property Name	PC	Entitlement	SOD	MCF/BBL	Wh MMBTU	Well Gross
Sales Date	County	Int	Dec	Price	Avg Price	BTU Factor	Vol (mcf)/(bbl)
		Type		State	MMBTU		Owner Vol
					Avg Price		(mcf)/(bbl)
76837	KORTH A UNIT 1H	100	0.0108579000	TX	32.85	0.00	2,890.20
03/01/2016	Karnes	RI			0.000	0.000	31.38
76837	KORTH A UNIT 1H	100	0.0195437500	TX	32.85	0.00	2,890.20
03/01/2016	Karnes	RI			0.000	0.000	56.49
76837	KORTH A UNIT 1H	200	0.0108579000	TX	1.24	3,328.15	2,660.81
03/01/2016	Karnes	RI			1.000	1.251	28.89
76837	KORTH A UNIT 1H	200	0.0195437500	TX	1.24	3,328.15	2,660.81
03/01/2016	Karnes	RI			1.000	1.251	52.00
76837	KORTH A UNIT 1H	400	0.0108579000	TX	13.26	0.00	252.12
03/01/2016	Karnes	RI			0.000	0.000	2.74
76837	KORTH A UNIT 1H	400	0.0195437500	TX	13.26	0.00	252.12
03/01/2016	Karnes	RI			0.000	0.000	4.93

Product Code
Owner Entitlement Decimal
(NRI) and Interest Type

**MMBTU Average price (inclusive of
deductions)

Well specific

Owner Interest Decimal *
Well Gross Vol

If an owner has a SOD on a certain
well, the SOD price will show here

**MMBTU price may vary for same well due to different deductions allowed under lease

Well Number State Date	Property Name County	PC Type	Entitlement Decimal	SOD Price State	MCF/BBL Avg Price	Wh MMBTU BTU Factor	Well Gross Vol (mcf)/(bbl) Owner Vol (mcf)/(bbl)	Well Gross Value \$ Owner Gross Value \$	Well Sev Tax Tax \$ Owner Sev Tax \$	Tax Type Cd Owner Type Cd	Well Deducts \$ Owner Deducts \$	Ded Cd Owner Ded Cd	Well Net Value \$ Owner Net Value \$
76837 03/01/2016	KORTH A UNIT 1H Karnes	RI	0.0108579000	TX	32.85 0.000	0.00 0.000	2,890.20 31.38	94,953.76 1,031.00	18.06 0.20	FE PR			90,567.83 983.38
76837 03/01/2016	KORTH A UNIT 1H Karnes	RI	0.0195437500	TX	32.85 0.000	0.00 0.000	2,890.20 56.49	94,953.76 1,855.75	18.06 0.35	FE PR			90,567.83 1,770.04
76837 03/01/2016	KORTH A UNIT 1H Karnes	RI	0.0108579000	TX	1.69 1.000	1.24 1.251	3,328.15 28.89	3,289.19 35.73	1.77 0.02	FE PR	0.00 0.00	05 15	1,883.28 32.14
76837 03/01/2016	KORTH A UNIT 1H Karnes	RI	0.0195437500	TX	1.69 1.000	1.24 1.251	3,328.15 52.00	3,289.19 64.29	1.77 0.03	FE PR	0.00 0.00	05 15	1,883.28 57.84
76837 03/01/2016	KORTH A UNIT 1H Karnes	RI	0.0108579000	TX	13.26 0.000	0.00 0.000	252.12 2.74	3,343.29 36.30	0.00 0.00	FE PR	721.38 7.83	03	2,425.27 26.33
76837 03/01/2016	KORTH A UNIT 1H Karnes	RI	0.0195437500	TX	13.26 0.000	0.00 0.000	252.12 4.93	3,343.29 65.34	0.00 0.00	FE PR	721.38 14.10	03	2,425.27 47.40
76837 - KORTH A UNIT 1H Subtotal:								3,088.41	143.52		27.76		2,917.13

Entitlement Decimal	SOD Price State	MCF/BBL Avg Price	Wh MMBTU BTU Factor	Well Gross Vol (mcf)/(bbl) Owner Vol (mcf)/(bbl)	Well Gross Value \$ Owner Gross Value \$	Well Sev Tax Tax \$ Owner Sev Tax \$	Tax Type Cd Owner Type Cd	Well Deducts \$ Owner Deducts \$	Ded Cd Owner Ded Cd	Well Net Value \$ Owner Net Value \$
0.0108579000	TX	32.85 0.000	0.00 0.000	2,890.20 31.38	94,953.76 1,031.00	18.06 0.20	FE PR			90,567.83 983.38
0.0195437500	TX	32.85 0.000	0.00 0.000	2,890.20 56.49	94,953.76 1,855.75	18.06 0.35	FE PR			90,567.83 1,770.04
0.0108579000	TX	1.69 1.000	1.24 1.251	3,328.15 28.89	3,289.19 35.73	1.77 0.02	FE PR	0.00 0.00	05 15	1,883.28 32.14
0.0195437500	TX	1.69 1.000	1.24 1.251	3,328.15 52.00	3,289.19 64.29	1.77 0.03	FE PR	0.00 0.00	05 15	1,883.28 57.84
0.0108579000	TX	13.26 0.000	0.00 0.000	252.12 2.74	3,343.29 36.30	0.00 0.00	FE PR	721.38 7.83	03	2,425.27 26.33
0.0195437500	TX	13.26 0.000	0.00 0.000	252.12 4.93	3,343.29 65.34	0.00 0.00	FE PR	721.38 14.10	03	2,425.27 47.40
76837 - KORTH A UNIT 1H Subtotal:					3,088.41	143.52		27.76		2,917.13

Well Gross Vol * BTU Factor

Well Gross Vol * Owner Interest Decimal

Owner Volume *
MCF/BBL Avg Price

Well Gross Vol *
MCF/BBL Avg Price

Owner taxes
(see legend for code)

Owner deductions
(see legend for code)

Well & Owner nets

Calculating Net Values

Entitlement Decimal	SOD Price	MCF/BBL Avg Price	Wh MMBTU	Well Gross Vol (mcf)/(bbl)	Well Gross Value \$	Well Sev Tax \$	Tax Type Cd	Well Deducts \$	Ded Cd	Well Net Value \$
	State	MMBTU Avg Price	BTU Factor	Owner Vol (mcf)/(bbl)	Owner Gross Value \$	Owner Sev Tax \$		Owner Deducts \$		Owner Net Value \$
0.0108579000	TX	32.85 0.000	0.00 0.000	2,890.20 31.38	94,953.76 1,031.00	18.06 0.20 4,367.87 47.42	FE PR			90,567.83 983.38
0.0195437500	TX	32.85 0.000	0.00 0.000	2,890.20 56.49	94,953.76 1,855.75	18.06 0.35 4,367.87 85.36	FE PR			90,567.83 1,770.04
0.0108579000	1.69 TX	1.24 1.000	3,328.15 1.251	2,660.81 28.89	3,289.19 35.73	1.77 0.02 137.05 1.49	FE PR	0.00 0.00 1,074.88 192.21	05 15 27	1,883.28 32.14
0.0195437500	1.69 TX	1.24 1.000	3,328.15 1.251	2,660.81 52.00	3,289.19 64.29	1.77 0.03 137.05 2.67	FE PR	0.00 0.00 1,074.88 192.21	05 15 27	1,883.28 57.84
0.0108579000	TX	13.26 0.000	0.00 0.000	252.12 2.74	3,343.29 36.30	0.00 0.00 196.64 2.14	FE PR	721.38 7.83	03	2,425.27 26.33
0.0195437500	TX	13.26 0.000	0.00 0.000	252.12 4.93	3,343.29 65.34	0.00 0.00 196.64 3.84	FE PR	721.38 14.10	03	2,425.27 47.40
76837 - KORTH A UNIT 1H Subtotal:					3,088.41	143.52		27.76		2,917.13

Example: Calculating the Owner Net Value

Owner Entitlement: **0.0108579** * Well Gross Vol: **2890.20** = **31.38** Owner Gross Volume

MCF/BBL Avg Price: **32.85** * Owner Gross Volume: **31.38** = **\$1,031.00** Owner Gross Value

Owner Gross Value: **\$1,031** – FE Tax: **\$0.20** – PR Tax: **\$47.42** = **\$983.38** Owner Net Value

The subtotal line at the end of each individual well's section is calculated by adding the **Owner Net Value** for every smaller breakout for that well.

Subtotal: $983.38 + 1770.04 + 32.14 + 57.84 + 26.33 + 47.40 = 2917.13$ Well Owner Net Value Subtotal

Note: the top line associated with a Tax Type Code or Deduction Code correlates to the well, while the second line correlates to the owner.

Check Summary

76880	RICHTER S UNIT 4H	100	0.0139590500	32.85	0.00	2,667.08	87,623.45	16.67	FE			83,576.10
03/01/2016	Karnes	RI		TX	0.000	0.000	37.23	1,223.14	0.23			1,166.65
								4,030.68	PR			
								56.26				
76880	RICHTER S UNIT 4H	100	0.0251262700	32.85	0.00	2,667.08	87,623.45	16.67	FE			83,576.10
03/01/2016	Karnes	RI		TX	0.000	0.000	67.01	2,201.65	0.42			2,099.96
								4,030.68	PR			
								101.27				
76880	RICHTER S UNIT 4H	200	0.0139590500	1.69	1.55	11,019.38	7,827.10	5.22	FE	0.00	05	6,963.23
03/01/2016	Karnes	RI		TX	1.100	1.408	109.25	169.75	0.07	0.00		152.70
								506.64	PR	3,973.53	15	
								7.07		0.00	27	
										710.55		
										9.91		
76880	RICHTER S UNIT 4H	200	0.0251262700	1.69	1.55	11,019.38	7,827.10	5.22	FE	0.00	05	6,963.23
03/01/2016	Karnes	RI		TX	1.100	1.408	196.67	305.52	0.13	0.00		274.81
								506.64	PR	3,973.53	15	
								12.73		0.00	27	
										710.55		
										17.85		
76880	RICHTER S UNIT 4H	400	0.0139590500	13.26	0.00	932.00	12,359.17	0.00	FE	2,666.75	03	8,965.49
03/01/2016	Karnes	RI		TX	0.000	0.000	13.01	172.52	0.00	37.23		125.14
								726.93	PR			
								10.15				
76880	RICHTER S UNIT 4H	400	0.0251262700	13.26	0.00	932.00	12,359.17	0.00	FE	2,666.75	03	8,965.49
03/01/2016	Karnes	RI		TX	0.000	0.000	23.42	310.54	0.00	67.01		225.26
								726.93	PR			
								18.27				
76880 - RICHTER S UNIT 4H Subtotal:							4,383.12	206.60		132.00		4,044.52

The end of each check detail has a summary section with a current check total and year-to-date totals for the owners

Current Check Totals:	48,966.69	2,295.23	0.0	1,064.00		45,607.46
Year to Date Totals:	230,092.70	10,619.04	0.0	2,041.89		217,431.77

Quick Reference

Calculations:

- $\text{WH (wellhead) MMBTU} = \text{MCF volume} * \text{BTU Factor}$
- $\text{Well Net Value} = \text{Gross Value} - \text{Tax Severances} - \text{Deductions}$
- $\text{Well Gross Value} = \text{Well Gross Volume} [(\text{mcf})/(\text{bbl})] * \text{MCF/BBL Avg Price}$
- $\text{Owner Gross Volume} = \text{Well Gross Volume} * \text{Owner Interest Decimal}$
- $\text{Owner Gross Value} = \text{Owner Gross Volume} * \text{MCF/BBL Avg Price or SOD Price}$
- $\text{Owner Net Value} = \text{Gross Value} - \text{Tax Severances} - \text{Deductions}$

General Information:

- BTU (Factor): a standard unit of energy measurement that calculates the amount of heat required to increase the temperature of a pint of water by 1 degree Fahrenheit
 - MMBTU – million British Thermal Units
- SOD price – Used when a royalty owner has negotiated a set price that they are to receive for their revenue sales. Since it is a different price than Encana receives, the system calculates the agreed price to the owner and the difference is absorbed by Encana and/or other working interest owners that they burden.
- If an owner is receiving funds from a PPA, they will see the funds broken out separately based on Sales Date.

Legend

Legend						
Product Codes (PC)	Interest Types (Int Type)		Tax Type Codes	Deduct Codes (Ded Cd)		
100 - Oil (bbl) 200 - Gas (mcf) 300 - Condensate (bbl) 400 - Plant Products (bbl) 600 - Helium DRP - Drip Condensate (bbl)	NM - Non-Prtp Mineral Int NP - Net Profit Int NR - Non-Prtp Royalty Int OM - Overriding Royalty-Miller OO - Overriding Royalty-Opt Out OR - Overriding Royalty OS - Overriding Royalty-Settlement OU - Overriding Royalty-Unit Alloc OV - Reversionary Override	PP - Production Payment RI - Royalty Interest RM - Royalty-Miller RO - Royalty Opt-Out RS - Royalty-Settlement SR - State Royalty UM - Unleased Mineral Int UR - Unleased Royalty Int WI - Working Interest	AV - Ad Valorem AV1 - Ad Valorem True-up CN - Conservation Tax FE - Environmental Tax (Gas) MT- Oil and Gas Maintenance Charge PR - Production Tax ES/SCH - School Tax ST- Shoshone Indians Tribal Sev Tax SV - Severance Tax	01 - Compression 02 - Dehydration 03 - Processing 04 - Treating 05 - Transportation Fuel 06 - Unutilized Gas Transport 07 - Unutilized NGL Transport 08 - Texas Mrktg Adj 09 - Texas Mrktg Adj Offset 10 - Other 11 - Gathering 12 - Production Interest	13 - Compressor Fuel 14 - Compressor Fuel - Other 15 - High Pressure Gath 16 - Low Pressure Gath 19 - Marketing 20 - Shrink 21 - Transportation (EMUS) 22 - Transportation (Non-EMUS) 23 - Piceance Creek Pipeline 24 - Plant Thermal Reduction	25 - Production Tax Interest 26 - Lease Use 27 - Processing Fuel 29 - Cond/Oil Transportation OR - Oil Restoration/ Processors Tax