

HOW TO USE THE PETRINEX PRODUCTION ALLOCATION DISCREPANCY REPORT

Jurisdiction	Release/Revision Date	Location of Change in this Document	Comment
AB	June 8, 2015	For More Information	Updated contact information for DOE Gas Royalty Volumetric & Cost Reporting Team
AB	May 28/14	For More Information	Updated contact information for DOE Gas Royalty Volumetric & Cost Reporting Team
AB	March 3, 2014	For More Information	Updated contact information for DOE Gas Royalty Volumetric & Cost Reporting Team
AB	July 19, 2013		Initial Release – this Job Aid was created from information originally part of the tip titled Production Allocation Discrepancy Report

COLUMN NAMES AND DESCRIPTIONS:

Before using the data on this report it is important to understand the definitions for the column headings as many are similar.

There are essentially three sets of data on the report:

- data associated with the volumetric reporting (columns B - P)
- data associated with the allocation reporting (columns Q – AF)
- data associated with the discrepancy information (columns AG to AJ)

Column	Column Name	Description
A	Production Month	The production month the data was reported for.
B	Volumetric Reporting BA ID	The ID of the operator who reported the volumetric (Gas Production) data.
C	Volumetric Reporting BA Name	The name of the BA who reported the volumetric (Gas Production) data.

Column	Column Name	Description
D	Volumetric Facility ID	The Facility ID that pertains to the volumetric data.
E	Volumetric Facility Name	The name of the facility that pertains to the volumetric data.
F	Volumetric Amendment Number	The amendment number associated with the volumetric data.
G	Volumetric Well ID:	The Well ID under which the gas production was reported.
H	Volumetric Gross Well Production:	The volume of gas production reported (10^3m^3) for the well for that production month.
I	Volumetric PE %:	The percentage (portion) of the gas production volume that belongs to the Production Entity (PE).
J	Volumetric Well Production	The calculated result of the Gross Well Production multiplied by the Volumetric PE %.
K	Volumetric PE Product:	The Production Entity product used for this row of data on the report. There are 3 available: GAS, OIL or ALLOC. The production entity screen will identify GAS or OIL. ALLOC is used when a well belongs to a multi well group (i.e. a unit) but is on a royalty holiday or program and has been (should be) excluded from the group (unit) until the program ends.
L	Volumetric Contact Name	The name of the person who submitted the volumetric data.
M	Volumetric Contact Email	The email address of the person who submitted the volumetric data.
N	Volumetric Contact Phone	The phone number of the person who submitted the volumetric data.
O	Production Entity	The production entity (PE) the producing well belongs to.
P	Total Production Volume:	The sum of all the Volumetric Well Production quantities associated to the PE. For a single well PE it will be the same value as column J, for a multi well PE it will be the sum of all the wells (column J) involved in the PE.
Q	Allocation Reporting BA Id	The Business Associate ID of the operator who reported the allocation (SAF/OAF) data.
R	Allocation Reporting BA Name	The name of the BA who reported the allocation (SAF/OAF) data.
S	Allocation Facility id	The Facility ID associated with the allocation data.
T	Allocation Facility Name	The name of the facility associated with the allocation data.
U	Allocation Amendment Number	The amendment number associated with the allocation data.
V	Allocation Product	The product being allocated on the SAF/OAF.
W	Allocation Activity	The activity being allocated on the SAF/OAF
X	Allocation From/to	The from/to on the SAF/OAF allocation.
Y	Allocation Cascaded from	The Cascaded from facility ID on the SAF/OAF allocation.
Z	Allocation Production Entity	The Production Entity (PE) listed on the allocation (stream ID).
AA	Allocation Gross Calc Volume	The gross calculated volume from the SAF/OAF submitted.
AB	Allocation Calculated GE Volume	The gas equivalent of the volume allocated for gas. For gas, this will be the same as the gross Calculated Volume (column AA); for liquids (LPG's), this will be the gross multiplied by the applicable gas equivalent factor.
AC	Allocation Contact Name	The name of the person who submitted the allocation data.

Column	Column Name	Description
AD	Allocation Contact Email	The email address of the person who submitted the allocation data.
AE	Allocation Contact Phone	The phone number of the person who submitted the allocation data.
AF	Total Allocated Volume	The sum of all the Allocation Calculated GE volume quantities that belong to the PE. For a single well PE it will be the same value as column AB, for a multi well PE it will be the sum of all the allocations (column AB) involved in the PE.
AG	Volume Difference:	The absolute value (in 10^3m^3) of the difference between production volume and allocated volume.
AH	Volume Difference%:	The percentage of the volume difference between production volume and allocated volume. The percentage is capped at plus or minus 100%. It is the positive percentages that will be subject to potential royalty recalculations.
AI	Volume Discrepancy Message Id	Each error message has a different ID #.
AJ	Volume Discrepancy Message Text	The text associated with the message ID.

Suggestions on How to Use the Petrinex PAD report

An essential step for reviewing the report is to filter the data in order to determine where inaccurate allocations have occurred when compared to production. Be very careful when filtering as you can easily filter away the discrepancy. We suggest you hide some columns when reviewing the report in order to determine the discrepancies to be reviewed.

The columns that SHOULD NOT be HIDDEN are:

- Column A – Production Month**
- Column D – Volumetric Facility**
- Column G – Volumetric Well ID**
- Column J – Volumetric Well Production**
- Column K – Volumetric PE Product**
- Column O – Production Entity**
- Column P – Total Production Volume**
- Column S – Allocation Facility**
- Column V – Allocation Product**
- Column W – Allocation Activity**
- Column X – Allocation From / To**
- Column Y – Allocation Cascaded From**
- Column Z – Allocation Production Entity**
- Column AB – Allocation Calculated GE Volume**
- Column AF – Total Allocated Volume**
- Column AG – Volume Difference**
- Column AH – Volume Difference %**

Once you have only these columns selected, here are five suggestions in filtering your data to determine why these facilities are on the Production Allocation Discrepancy (PAD) Report.

1. Review all Positive Results under Column AH - Volume Difference%. These are the streams which will have royalty recalculations if not corrected.

Suggestions for corrections:

- An amendment has been made with just the volumetric or SAF/OAF submitted. Possibly all that is required is to resubmit either the missing volumetric or SAF/OAF submission. This will clear up the imbalance.
- New streams in that particular month have no allocations with other streams in that facility with over allocations.
- Allocations are high for some wells and low on others. Review the allocation process in your production allocation system.

2. Review all positive 100% imbalances which display allocations but no production.

Select the **positive 100** from Column AH - Volume Difference, **(BLANKS)** from Column J - Volumetric Well Production and **GAS** from Column V - Allocation Product. This shows wells that have no volumetric data supplied yet the well(s) were included in allocations.

Possible reasons are:

- No volumetric submission has been reported.
- An amendment has been made with the allocations submitted yet the volumetric submission has not (timing difference).
- Over-allocation which results in a Volume Difference % greater than or equal to 100%.

3. Review all negative 100% imbalances which displays no allocations but has production.

Select the negative **100** from Column AH - Volume Difference% and **GAS** and **(BLANKS)** from Column V - Allocation Product. This shows the well(s) that have volumetric data submitted yet no allocations have been reported.

Possible reasons are:

- No allocations have been reported.
- An amendment has been made with the volumetrics submitted yet the allocation submission has not (timing difference).
- The well was reported as part of a Multi-well Production Entity (examples are a Unit, Well Group) allocation but is required to be reported at the well level.

4. Any wells that are part of a Production Entity (Unit, Well Group etc.) that will receive a royalty benefit are required to be reported at the well level.



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Example: all new wells qualify for the New Well Royalty Rate (NWRR). The PAD report will show you the well(s) that need to be reported at the well level and the allocation volume must not be included in the multi-well production entity.

To find these wells, filter as follows:

Select **ALLOC** from Column K - Volumetric PE Product. These wells should have allocations reported at the well level to clear the imbalance.

Select the following columns for the identified wells from the step above:

- a) Select the **facility** from Column D - Volumetric Facility,
- b) Select the three options **ALLOC, GAS & OIL** from Column K - Volumetric PE Product
- c) Select **GAS** and **(BLANKS)** from Column V - Allocation Product
- d) Select **negative 100** and all **POSITIVE** results from Column AH - Volume Difference%
- e) Select each **production month** from Column A - Production Month.

The result of this query will show you the following:

- Well(s) that need to be reported at the well level, however gas production was low enough such that a royalty recalculation was not required.
- If you have over-allocated to the Production Entity, you will need to reduce your allocation to this Production Entity and then allocate to the wells in order to receive the royalty benefit.

5. Review all positive or negative 100%records which will display over/under allocations at a specific facility.

Select the **negative 100** and **positive 100** results from Column AH - Volume Difference%. Then select each Column D - Volumetric Facility and review each facility paying specific attention for both positive and negative 100 results. This is an example where you have no allocations for some streams and over allocations at other streams.

For More information:

Volumetric & Cost Reporting (V&CR) is the Front Line of contact for inquiries relating to volumetric and cost reporting as well as gas royalty calculation processes. V&CR is made of four teams as shown below:

Team	Lead
Volumetrics	Nicole Le Blanc
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To view the presentations and report examples provided at the June 19, 2012 Information Session [click here](#) or go to the Petrinex website - Resource Centre - Training Job Aids.

To view the tip titled "Production Allocation Discrepancy Report" [click here](#) or go to the Petrinex website – Tips & Alerts – Tips Greater than 60 Days - Monthly Reporting: Allocations.