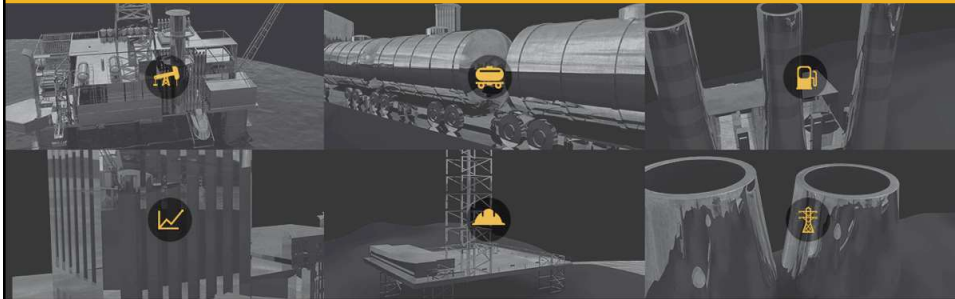




WSLCA PORTAL PRESENTATION



JANUARY 2017

COMPANY OVERVIEW

Who We Are

Founded in 2005, Opportune LLP is a leading international energy consulting firm specializing in assisting clients across the energy industry, including upstream, midstream, downstream, power and gas, commodities trading and oilfield services. Our growth is directly attributable to the value we add to our clients. We are uniquely positioned to add this value as a result of the energy expertise of our experienced teams, which can be smaller and less intrusive.

We are responsive, and we are good listeners. Since we are not an audit firm, we are advocates of our clients and are not subject to the restrictions placed on other firms by regulatory bodies.

The Opportune Advantage

Our mission statement is simple, but direct: Add value to clients.

We accomplish this by having all of our focus on you, the client, and by staffing our assignments with seasoned energy professionals who have executive-level experience in leading both industry and professional services.

We embrace a culture of quality, integrity, teamwork and professionalism. The Opportune team has the rare combination of diverse subject matter expertise, valuable client service experience and proven success.

Practice Areas

- Chemical Engineering
- Complex Financial Reporting
- Corporate Finance
- Dispute Resolution
- Enterprise Risk
- Outsourcing
- Process & Technology
- Reserve Engineering & Geosciences
- Restructuring
- Strategy & Organization
- Tax

AGENDA

- ☐ Portal Overview
- ☐ Client Demo
- ☐ Tough Decisions
- ☐ Integration

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AGENDA

Portal Overview

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KP1

CUSTOMER PORTAL INTRODUCTION

A **customer portal** is a website that enables businesses to share account-specific information with **customers**.

Benefits:

- 24 X 7 access
- Self-service*
- Lower support costs longer term
- Portal “infers” a single location for all their needs
- Quicker, consistent sharing of information

*Self-service is only a benefit if the system is reliable and the data is accurate.

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CUSTOMER PORTAL INTRODUCTION

Characteristics of the best portals:

- Simple design
- Access to related sites
- Ease of navigation (by customer themes, not business departments)
- Large font
- Obvious search box
- Intuitive Search engine
- Menus available, but not required
- Consistent look and feel
- Device agnostic

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AGENDA

Client Demo

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UNIVERSITY LANDS PROJECT

1. Re-engineer the royalty reporting and accounting processes

- Implement tools that enable customers to more effectively manage their University Lands' assets
- Streamline royalty reporting
- Opportune was engaged to design and develop the solution, as well as provide project management and change management services

2. Identify opportunities to create additional value-add in the short-term and long-term strategic planning processes

- Board of Regents approved the study
- Actions included appointment of a new industry-based UL Advisory Board and a new CEO to transition the organization to take advantage of the industry dynamics
- Both short-term and long-term recommendations were made
- Core challenges identified included the organization's compensation and manpower/resource constraints

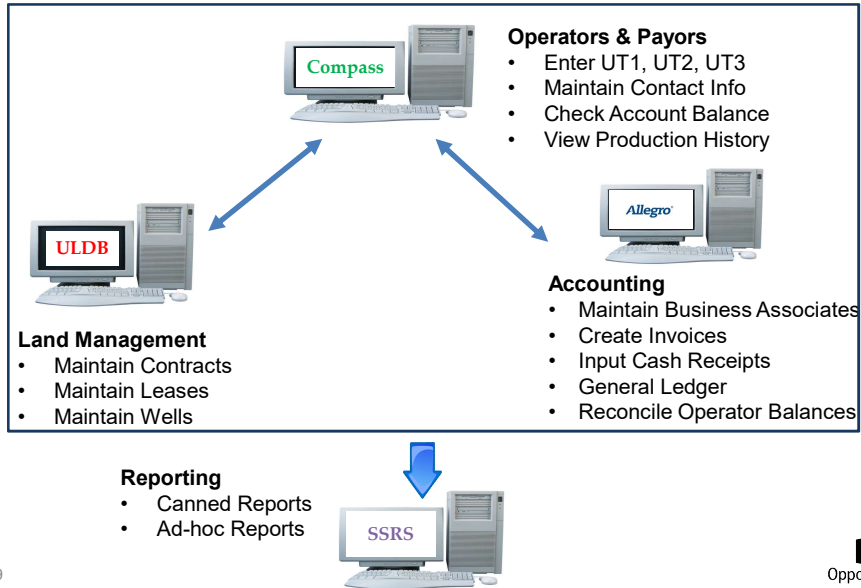
3. To address the core challenges, Opportune was asked to conduct a study of the salaries and staff positions

- Salary adjustments, salary bands, incentive programs, and new positions were recommended
- Actions from this study were implemented after the selection of the new CEO

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UNIVERSITY LANDS PORTAL SOLUTION



UNIVERSITY LANDS PORTAL: Custom Website

The screenshot shows the University Lands Portal Custom Website interface. The header includes the University Lands logo and the text "THE UNIVERSITY OF TEXAS SYSTEM". The main content area is divided into several sections:

- Section 1:** Enter UT1 and UT2, Enter UT3
- Section 2:** Customer Account Balance, Reports & Queries
- Section 3:** Training & Documentation
- Section 4:** UL News (with a scrollable list of news items)
- Section 5:** Notifications (with a list of notifications and "Find" buttons)
- Section 6:** Log Off

The interface is designed for users to manage their accounts, view reports, and receive notifications.

UNIVERSITY LANDS PORTAL: Functions

- Submit reports (online entry or file upload)
 - UT1 = Oil Reporting
 - UT2 = Gas Reporting
 - UT3 = Check Stub
- Maintain Account
 - Create new users
 - Change passwords
 - Address and contact info
- Check Account Balance
 - Searchable and exportable
- View Production Reporting History
 - Searchable and exportable
- View Payment History
 - Searchable and exportable



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UNIVERSITY LANDS PORTAL: Account Balance

Log Out

Welcome! Lynell Rogeri, University Land

Oil Royalty Balance: (\$2,003.87) Gas Royalty Balance: (\$1.66) Total Royalty Balance: (\$2,005.53)

Company: Production Date From: 01/2015 Production Date To: 12/2015

UT Lease: RRC Lease: RRC Permit:

Unit: Tract: Product Type: Both

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Property	Lease Number	RRC Number	Permit Number	RRC District	RRC Type	Unit Number	Tract Number	Product	Royalty Due	Royalty Paid	Balance
110475-R-17800-07C-0	110475	17800		07C	0			Oil	\$59,438.09	\$59,438.11	(\$0.02)
110476-R-17898-07C-0	110476	17898		07C	0			Oil	\$55,243.65	\$55,243.65	\$0.00
110477-R-18275-07C-0	110477	18275		07C	0			Oil	\$195,098.66	\$195,098.65	\$0.01
110477-R-18481-07C-0	110477	18481		07C	0			Oil	\$404,758.50	\$404,758.50	\$0.00
110478-R-17916-07C-0	110478	17916		07C	0			Oil	\$34,816.19	\$34,816.21	(\$0.02)
110479-R-17790-07C-0	110479	17790		07C	0			Oil	\$63,527.97	\$63,527.98	(\$0.01)
111502-R-18480-07C-0	111502	18480		07C	0			Oil	\$24,068.29	\$24,068.28	\$0.01
111505-R-18067-07C-0	111505	18067		07C	0			Oil	\$285,029.53	\$285,029.52	\$0.01

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UNIVERSITY LANDS PORTAL: Report Data Entry

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Navigation

UT1 and UT2 Header (1)

Company Number	Company Name	Status	Production Date	Product
40 0000	COMPANY	Complete	05/2016	Oil
41 0000	COMPANY	Incomplete	06/2016	Oil
42 0000	COMPANY	Incomplete	09/2016	Oil
43 0000	COMPANY	Incomplete	07/2016	Oil
44 0000	COMPANY	Incomplete	08/2016	Oil

Property Report (2)

Trace Number	ZERO Sales	Status	Sent Date	Lease Number	Lease Name	Permit Number	RRC Number	RRC District	RRC Type	Unit Number	Transaction Type	Beginning Inventory	8/8 Production
1	A915599	Sent	11/29/20	111018	UNIVERSITY 3-		18042	07C	0		Original	1.00	10.00
2	A916262	New		110478	UNIVERSITY 4-		17916	07C	0		Original	0.00	0.00

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Opportune

THE SOLUTION



Allegro Accounting Package

Workflow: Cash Receipts

Transaction	Subledger	Acct. Date	Counterparty	Name on Check	Pay method	Document ID	Check number	Rec. date	Disbursement Date	Doc
4402093	CR	6/16/2016	HUNT OIL COMPANY	EFT	096233	096233	6/16/2016	6/16/2016		GM
4011776	CR	6/7/2016	HUNT OIL COMPANY	CHEK	066070	427811	6/7/2016	6/7/2016		Inv
4005649	CR	6/4/2016	HUNT OIL COMPANY	EFT	064866	064866	6/4/2016	6/10/2016		CRH
3993687	CR	4/22/2016	HUNT OIL COMPANY	CHEK	064811	180427	4/22/2016	4/21/2016		Inv
3993688	CR	4/22/2016	HUNT OIL COMPANY	CHEK	064812	427302	4/22/2016	4/21/2016		Inv
3982230	CR	4/17/2016	HUNT OIL COMPANY	CHEK	064766	000477071	4/17/2016	4/16/2016		Inv
3991137	CR	4/16/2016	HUNT OIL COMPANY	CHEK	064763	000477072	4/16/2016	4/16/2016		Inv
3962920	CR	4/16/2016	HUNT OIL COMPANY	EFT	064734	064734	4/16/2016	4/16/2016		Out
3971484	CR	4/16/2016	HUNT OIL COMPANY	CHEK	064864	427303	4/16/2016	4/16/2016		Inv

Detail

Detail	Subledger	Account	Account Description	Counterparty	Debit	Credit	Balance	Project
1398247	CR	PROCESSED	GPR 48.3225-100	Gas Royalty Receivable	HUNT OIL COMPANY	0.00	30,776.84	
1398248	CR	PROCESSED	48.3225-100	Gas Royalty	HUNT OIL COMPANY	30,776.84	0.00	

UNIVERSITY LANDS
THE UNIVERSITY OF TEXAS SYSTEM

Rate and Damage Invoice

Invoice Date: June 01, 2016

Payment Due Date: July 01, 2016

Operator: EL PASO COUNTY
500 E SAN ANTONIO ST, SUITE 503
EL PASO, TX 79901-2421

Contract: CYNONE NEBARR

Contract Number: EX10128

Invoice Number: 125082

Description	Quantity	Unit	Rate	Total
Renews of a Road Easement	1.00	each	\$800.00	\$800.00

PLEASE PAY FROM THIS INVOICE

AMOUNT DUE
\$800.00

Remarks:

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DEMO



Log In to University Lands' Testing Environment

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AGENDA

Tough Decisions

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KEY DECISIONS

- | | |
|--|--|
| <ol style="list-style-type: none"> 1. Web Look and Feel <ul style="list-style-type: none"> • Online editing • Preliminary vs Final • Form vs Grid • Consistency across functions 2. User Friendliness <ul style="list-style-type: none"> • Auto-fill / defaults • Validations (rounding and variances) 3. Degree of Automation <ul style="list-style-type: none"> • Cost / benefits 4. Printing <ul style="list-style-type: none"> • Queries and exports • Canned reports | <ol style="list-style-type: none"> 5. Conversion <ul style="list-style-type: none"> • Number of years • Level of detail • Data clean-up 6. Support <ul style="list-style-type: none"> • Help Desk Month 1 & 2 • Internal and external training 7. Security <ul style="list-style-type: none"> • Centralized or self-managed ID, password, roles • State access to customer data • 3rd party access to accounts 8. Account Management <ul style="list-style-type: none"> • Reallocations of money |
|--|--|

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OTHER CONSIDERATIONS

- Portal Segmentation
 - Customers only see what is relevant to them
- Search Engine
- Document Control (who owes what data)
 - Customer vs agency maintenance
- Customer Notifications (push vs pull)
- Environments
 - Testing
 - Training
 - Sandbox (production look alike)
- Matching Cash to the Electronic Checkstub
 - Company, Amount, Ref. No.
- Invoicing
- Dashboards
 - Reports
 - Dollars
 - Production
- File Uploads:
 - ASCII, CSV or TXT
 - Large file uploads
 - Uploads: replace or ready-made templates

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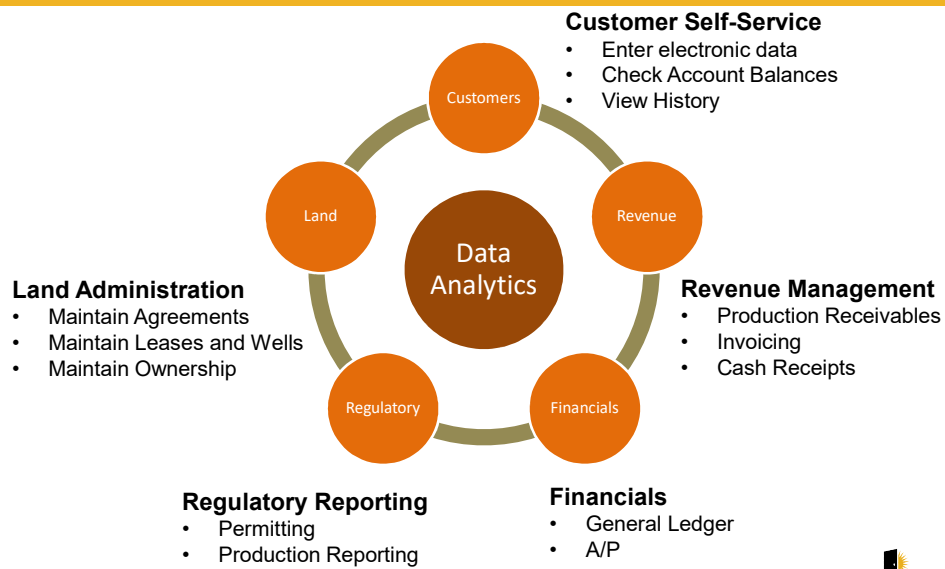
AGENDA

Integration

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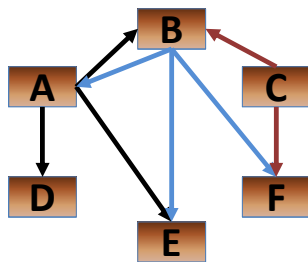


SYSTEMS INTEGRATION

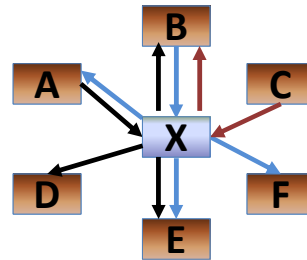


SYSTEMS INTEGRATION: Options

Interfaces are always the weakest link



Point-to-Point



Hub and Spoke

- One place for all data
- Requires pre-planning
- Retroactive "fit" is difficult
- Especially helpful in mix of technology
- Shared web services for commonly used data

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AGENDA

Any Questions?

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ENERGY SECTORS SERVED

UPSTREAM



MIDSTREAM



DOWNSTREAM



OILFIELD SERVICES



POWER AND GAS



COMMODITIES TRADING & LOGISTICS



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SNAPSHOT OF OUR PRACTICE AREAS

CHEMICAL ENGINEERING  • Project development and management • Process improvement and optimization • Process simulation and economic modeling • Capital planning • Market assessments and forecasts • Scoping and feasibility studies • Valuation and due diligence • Expert witness and litigation support	COMPLEX FINANCIAL REPORTING  • IPO readiness and execution • Share-based compensation • Structured transactions • Revenue recognition • Financial statement preparation • Debt and equity offerings • Asset retirements obligations • Interim management	CORPORATE FINANCE  • Valuations • M&A financial due diligence • Complex asset and derivative analysis • Collateral review • Purchase price allocation • Quality of earnings • Transaction integration
DISPUTE RESOLUTION  • Assess financial merits of a claim and develop financial models specific to it • Provide expert witness testimony • Analyze financial records and determine recovery strategies • Assist clients during negotiation of dispute at any stage	ENERGY ADVISOR SERVICES FOR PRIVATE CAPITAL  • Financial modeling and cash flow forecasting • IPO readiness and execution • Reserve engineering • System selection and implementation • Quality of earnings assessments • Complex financial reporting and tax advisory	ENTERPRISE RISK  • Internal compliance review services • Information technology risk assessment and process reviews • Foreign Corrupt Practices Act reviews • Evaluation of SOX readiness • Interim Internal Audit function • Enterprise Risk Assessments

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SNAPSHOT OF OUR PRACTICE AREAS (CONTINUED)

OUTSOURCING  • Transactional reporting • Land administration and property reporting • Joint interest billing • Accounts payable/receivable • Production allocation and reporting • Software systems	PROCESS & TECHNOLOGY  • Business process review, improvement and documentation • Supply chain management • Software selection, conversion and integration and user acceptance testing • Infrastructure and security • Project management, data recovery and remediation	RESERVE ENGINEERING & GEOSCIENCES  • Certification of reserves • Preparation of engineering reports • Preparation of competent person's reports ("CPR") • Risk assessment and portfolio management • Contract negotiations • Field development studies • Expert witness & litigation support
RESTRUCTURING & BANKRUPTCY  • Financial and operational restructuring • CRO and Interim CFO services • Debtor and stakeholder advisory • In- and out- of court • Litigation support and expert testimony	STRATEGY & ORGANIZATION  • Business strategy and planning • Organizational design • Change management • Corporate governance • Commodity risk management assessment • Risk policy review • Commercial strategy development	TAX  • Tax reporting and compliance • State and local tax (SALT) • Transaction support • Bridge tax management

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