



Risk Management
Commodities Trading
Physical Logistics
Regulatory Compliance

Equity Production 8.1

Simplified Data Management: A streamlined solution for the marketing of oil and gas production

The upstream oil and gas industry is full of complexity and change. Property ownership changing hands, well production adjustments based on fluctuating demand, and volatile commodity prices all contribute to the growing need for a real-time system that can manage the complexities of this environment. In addition, the overwhelming amount of data needed to manage production volumes, nominations, balancing and allocations back to well interest owners can be easily susceptible to errors. In the past, producer companies have relied on spreadsheets or internally developed systems to manage these processes.

Product Overview

Allegro's enhanced Equity Production 8.1 component provides the automated data management that producer companies need to ensure profitable decision making and proper visibility among business groups. The component delivers a simplified way of managing the marketing of oil and gas production, including balancing, nominations, measurement and variance analysis. With visibility from the property straight through to scheduling, companies can quickly generate production positions taking into account all right-to-market interest owner quantities. Completely integrated with the Allegro 8 platform, Equity Production 8.1 seamlessly communicates with the Property and Logistics components to capture and manage all production, nomination, interest owner changes and costs associated with moving product from the Custody Transfer Point (CTP) to the downstream pipeline.

Features	Benefits
Automated data capture and streaming functionality from wellhead to first point of sale	<ul style="list-style-type: none"> Simplified data management – seamlessly integrated with Allegro's Property and Logistics components to facilitate accurate decision making and ensure company profitability Instantaneous visibility to marketable product accounting for all cost, volume and ownership changes from the Custody Transfer Point (CTP) to the first point of sale
Interest Owner and Gas Balancing Management	Ease of managing right-to-market quantities allowing for one-click nomination adjustments to best manage owner imbalances and daily production variances
Gas Available For Sale (GAFS) Notifications	Easily create gas available for sale notifications for take-in-kind working interest owners
Pipeline Nomination Management	Efficiently and automatically manage pipeline nominations incorporating all division order information and marketing arrangements
Data Management	Flexible and scalable architectural design allows the system to integrate with existing well production data, Division of Interest data and ERP systems ensuring data accuracy and integrity
Enhanced Reporting	Built in report views improve decision making to monitor production variances (vs. nominations) and nomination variances by pipeline, point and seller
Operator Actuals and Allocations	<ul style="list-style-type: none"> Improved productivity to reconcile operator actual statements and allocate costs back to interest owners, including support for prior period adjustments Full audit capability to ensure accuracy

Business Case

Managing the complexities of the upstream oil and gas world has always been a challenge. Efficiently addressing the management, scheduling, reporting and accounting of a large number of transactions across an enterprise requires a system that ultimately provides transparency as well as built-in flexibility to deal with future requirements.

Each month, producer companies are tasked with forecasting production for the next month, managing production changes for the current month, and reconciling actual production for prior months. Allegro's Equity Production 8.1 component is designed for Exploration and Production (E&P) companies that market their own oil and gas production and need to forecast and build nominations, perform gas balancing, and capture and allocate actual volumes. Based on the defined relationships between the producing properties and downstream pipeline interconnects, Allegro uses the available production forecast data, test and downtime information to estimate what will be available to nominate to the pipeline. It then builds the associated estimated nominations and streams them straight through to scheduling. Users may adjust the automatically generated production forecast data to reflect any current operational circumstances, as required, prior to creating estimated nominations as well as upload any appropriate SCADA data to use directly from the field.

Allegro's Equity Production 8.1 component also easily handles gas balancing using division orders and information regarding marketing arrangements to determine the appropriate entitlements by interest owner. Allegro calculates 8/8ths volumes and then applies the applicable division of interest information to calculate interest owner entitlements for daily estimated nominations. Actual volumes can be calculated and then captured in the software from meter readings. The actual volumes can then be allocated by the software component back to the well and owner levels. In addition, the Allegro system supports automated prior period adjustments.

By incorporating and managing all of this data in one system, Allegro's Equity Production component simplifies the data management process, improves business efficiency and provides accurate visibility to the upstream oil and gas industry.

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