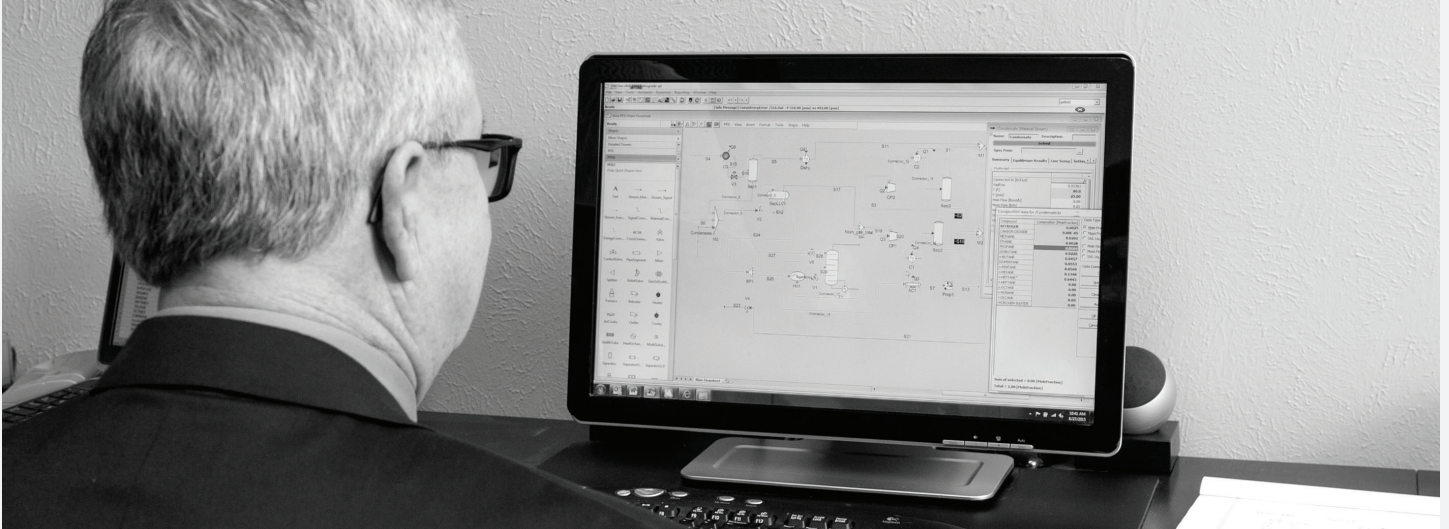


## PRODUCTION ALLOCATION AND DATA MANAGEMENT



When it comes to production allocation, there is no such thing as a small oversight—all potential misallocations can have a huge impact on your business. That's why so many operators trust SPL to get it right.

### THE ECONOMIC IMPACT OF ALLOCATION

Risk exposure to interest owner litigation. Compliance issues with regulatory bodies. Ambiguity about asset values and KPIs. Allocation inaccuracies can cripple your financial performance. In fact, inaccurate financial reconciliation of hydrocarbon production can cost operators significant revenue each year just in the United States alone.

Improving the accuracy of production allocation can aid operators in:

- Protecting themselves from costly litigation with interest owners
- Ensuring compliance with various regulatory parties
- Monitoring and managing field production data
- Estimating production volumes for the purpose of field simulation and reservoir management

And the worst part? The longer you wait to address potential allocation inaccuracies, the bigger an issue it could become. SPL provides objective, credible third-party expertise that lets you pinpoint the allocated quantity and quality of hydrocarbon assets throughout the hydrocarbon lifecycle—with a scientific approach other providers just can't match.

**15+**  
ALLOCATION EXPERTS

**100+**  
ANOMALIES DETECTED  
AND REPORTED MONTHLY

**\$41+**  
MILLION DOLLARS WORTH  
OF HYDROCARBONS  
ALLOCATED MONTHLY

**5,000,000+**  
BBL ALLOCATED PER MONTH  
(IN THE GULF OF MEXICO ALONE)



## WE HAVE PRODUCTION ALLOCATION DOWN TO A SCIENCE.

SPL delivers rock-solid, defensible data on true asset volume and composition that minimizes risk exposure and gives you more control over operational and financial performance.

With SPL supporting your allocation efforts, you'll get not only more technically defensible data, but better asset protection and more predictive asset marketability data—all backed by the end-to-end data stewardship of the SPL team. Our allocation team helps you uncover true well-by-well production by:

- Applying advanced process simulation modeling— as well as advanced regression analysis and data management
- Consulting with you to ensure that all allocation programs, processes and protocols are in compliance with lease agreements
- Troubleshooting specific instances of potential inaccuracy and advising on the best course of action

Our customers are able to trace streams of commingled assets all the way back to the wellhead, know whether or not chemicals should be added to the asset, and realize the true value of their asset at the point of sale. No two operations are alike, but our three-step process helps bring consistency and clarity to allocation.

Don't wait until potential allocation inaccuracies compound into costly problems. Call SPL today at (877) 775-5227 and schedule a meeting with one of your allocation specialists—and get true production allocation down to a science.

### ALLOCATION PROCESS

#### INITIAL SETUP

Working with our customers on a consultative basis, we determine allocation needs, from initial measurement and analytical concerns to ultimate disposition of all related hydrocarbon streams. The resulting action is the creation of a custom allocation flow diagram and in-depth field review to assess and recommend measurement points throughout the field. Then, using exclusive process simulation (PSM) modeling, databases and reporting software, SPL creates fit-for-purpose allocation algorithms to accurately track hydrocarbon assets from our customers' wells to the point of sale.

#### IMPLEMENTATION

Once the setup is complete, SPL works with our customers to optimize measurement and analytical data gathering and processing to provide timely reporting of all data results on a set schedule.

#### ONGOING SUPPORT AND REPORTING

At this stage, customers receive daily, weekly and monthly reporting tailor-made to their individual needs. This vital data enables customers to realize: measurement anomalies in real time, production trends and true asset value at the point of sale after commingling, flash, and shrinkage.

