

Sea Robin Plant COST ALLOCATIONS								
Sea Robin Plant Cost Allocation - Gas delivered to the Sea Robin Pipeline								
YEAR	2009	2010	2011	2012	2013	2014	2015	2016
Allowed Costs	61%	61%	61%	61%	61%	61%	61%	61%
Disallowed Costs	39%	39%	39%	39%	39%	39%	39%	39%
	100%	100%	100%	100%	100%	100%	100%	100%
Fuel Allowed	24%	24%	24%	24%	24%	24%	24%	24%
Fuel Disallowed	76%	76%	76%	76%	76%	76%	76%	76%
	100%	100%	100%	100%	100%	100%	100%	100%

These UCAs are based on the most current information available (see "Disclaimer for ONRR Unbundling Website")

### Sea Robin Plant SIMPLIFIED EXAMPLE FOR 2016 UCA

This example does not represent all contractual situations or include all transportation and processing fees that may be charged.

Royalty Rate:	12.5%	Wellhead Volume:	200,000 MMBtu
NGL Retainage Fee:	20% NGL Gallons	Residue Volume:	110,000 MMBtu
Residue Gas Price:	\$2.50 Per MMBtu	Plant Shrink Volume:	87,000 MMBtu
Weighted Average NGL Price:	\$1.40 Per Gallon	Field Fuel:	- MMBtu
NGL Volume:	500,000 Gross Gallons	Plant Fuel:	3,000 MMBtu
Net Volume:	400,000 Net Gallons		200,000 Ties to Wellhead MMBtu
			200,000 Inlet MMBtu

### VOLUME AND VALUE REPORTING

Residue MMBtu	Total Plant Fuel MMBtu	Unbundling Plant Fuel Allocation	Disallowed/Allowed Plant Fuel MMBtu (B * C)	Total Residue MMBtu (A + E)
A	B	C	D	F
110,000	3,000	76% Non-Allowed	2,280	112,280
	3,000	24% Allowed	720	
		100%	3,000	

#### Residue Value (PC 03)

MMBtu	Residue Gas Price	Sales Value (A * B)
A	B	C
112,280	\$2.50	\$280,700.00

The calculation excludes the plant fuel allowed royalty free

#### NGL Value (PC 07)

Gallons	NGL Price	Sales Value (A * B)
A	B	C
500,000	\$1.40	\$700,000.00

per 30 CFR 1202.151(b). Therefore, you may not take plant fuel as a processing allowance.

### ALLOWANCE REPORTING

#### Processing Allowance PC 07

NGL Volume (Gallons)	NGL Price	Sales Value (A * B)	%	Processing Cost (C * D)	Unbundling Cost	Allowed (E * F)	Royalty Rate	Processing (G * H)
A	B	C	D	E	F	G	H	I
500,000	\$1.40	\$700,000.00	20%	(\$140,000.00)	61%	(\$85,400.00)	12.5000%	(\$10,675.00)

\* Review your contract to determine if processing cost is based on inlet volume, wellhead volume, or NGL gallons and revise calculation accordingly. For this example, the processing cost is based on NGL Gallons.

### ROYALTY REPORTING

Product Code/Product	NGL Sales Volume (Gal)	Gas Sales Volume (MMBtu)	Sales Value	Royalty Value Prior to Allowances (D * 12.50%)	Transportation Allowance	Processing Allowance	Royalty Value Less Allowances (E + F + G)
A	B	C	D	E	F	G	H
03 Residue		112,280	\$280,700.00	\$35,087.50			\$35,087.50
07 Natural Gas Liquids	500,000		\$700,000.00	\$87,500.00		(\$10,675.00)	\$76,825.00
						Royalty Due ONRR	\$111,912.50

For Percentage-of-Proceeds or Keepwhole agreements, you must apply the UCAs to determine the allowed fuel and processing allowances.

#### Note to Reporters:

If you need assistance with royalty reporting, contact your representative with ONRR Financial Management.

The listing of Financial Management contacts is at: <http://www.onrr.gov/ReportPay/PDFDocs/royassgn.pdf>

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