Compass Enhancement Notification – 1/30/15 ZERO REPORT (No Royalty Due)

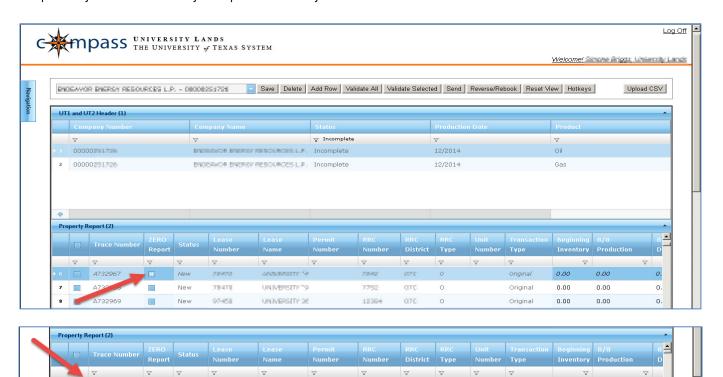
Effective Friday, January 30, 2015, you have the option to submit a zero report, which is no royalty due for that property for a given production period, for your UT1 and UT2. The UT1 and UT2 property "ZERO Report" option is designed to save you time by eliminating some of the entries required in the previous version of Compass.

Key Features:

- There are **no** required fields in any grid once you check the "Zero Report" box. You no longer need to add a Disposition or Purchaser record to complete and submit your report.
- You *MUST* still enter beginning inventory, production volumes, if applicable, and ending inventory to the lease. All monthly production volumes MUST still be reported to University Lands.
- The "Zero Report" is valid *ONLY* if there is <u>no</u> "8/8 Disposition," (Oil), ""8/8 Production," (Gas), "Your Volume Share," or "Royalty Due University".

How to Complete the Zero Report:

- Select (highlight) the property in the Property Grid
- Check the box in the column "ZERO Report" for each lease which has no Royalty Due. Note that you must still submit production
 data even if there were no sales.
- Click SAVE.
- Click VALIDATE. A warning icon will appear in the "Trace Number" column of each Zero Report. This is acceptable and will NOT prevent you from SENDING your report to University Lands.



For Those Who Are Filing By CSV:

2 Your Royalty Due University equals zero

• Continue to use the current filing procedure and template.

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• The CSV process will be simplified in a future release but has **not** changed for this release.

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• Alternatively, you can delete the Zero Report records from your CSV file, then manually mark those leases as such in Compass after the other reports are uploaded - whichever you find most efficient.

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