

HILCORP ENERGY COMPANY

14 Royalty Disbursement Account
 P.O. Box 61229
 Houston, Texas 77208-1229
 (713) 209-2457

15 CHECK DATE
 10/25/2018

16 OWNER NUMBER
 1234567

17 CHECK NUMBER
 0123456

18 AMOUNT OF CHECK
 *****21.52

**PAY Twenty One Dollars and Fifty Two Cents
 TO THE FOLLOWING**

John Doe Owner
 1111 Travis Street
 Houston, TX 77002 19

**NOT A
 CHECK**

HILCORP ENERGY COMPANY
 Retain this statement for tax purposes
 Duplicates cannot be provided
 For inquiries call 713-209-2457

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DATE	PROD CODE	BTU	TYPE INT	PRICE	QTY	VALUE	GROSS DEDUCTS	NET	PAID INTEREST	VALUE	OWNER DEDUCTS	NET SHARE	
42.0454.001	HOUSTON CONS. UNIT					HOUSTON		TX					
08/2018	GAS	1.0000	R0001	2.80	40,177.00	112,535.54		104,095.36	0.00000179	0.18		0.17	
						Texas Severance Tax	- 8,440.16				.01		
42.0454.001	HOUSTON CONS. UNIT					HOUSTON		TX					
08/2018	GAS	1.0000	R0001	2.80	40,177.00	112,535.54		104,095.36	0.00000112	0.13		0.13	
						Texas Severance Tax	- 8,440.16						

1. **PRODUCTION DATE** – Month and year product was sold
2. **PRODUCTION CODE** - Code used to identify product sold
3. **BTU (British Thermal Unit)** - Heating value of gas
4. **INTEREST TYPE** – Type of interest owned
 - a. FED – Federal Interest
 - b. IND - Indian Interest
 - c. ORRI – Overriding Royalty Interest
 - d. RI – Royalty Interest
 - e. State – State Interest
 - f. WI – Working Interest
5. **PRICE** – Price per unit
6. **GROSS QUANTITY** – Total volume of product sold from property displayed in barrels and MCF (thousand cubic feet)
7. **GROSS VALUE** – Total value of product sold from property
8. **GROSS DEDUCTS** –
 - a. Taxes
 - b. Processing
 - c. Compression
 - d. Transportation
 - e. NM Processor Tax
 - f. Deduct other
9. **PROPERTY NET VALUE** – Total value of product, less taxes and deducts
10. **PAID INTEREST** – Your share of ownership in the property, shown as a decimal
11. **OWNER VALUE** – Owner share of gross value for the property
12. **OWNER DEDUCTS** – Owner share of taxes and adjustments
13. **OWNER NET SHARE** – Owner share of product value after taxes and deducts
14. **PAYOR ADDRESS AND CONTACT INFORMATION**
15. **CHECK DATE**
16. **OWNER NUMBER** – This number is uniquely assigned to you by Hilcorp
17. **CHECK NUMBER**
18. **CHECK AMOUNT** – The total amount payable to you for this payment
19. **OWNER NAME AND ADDRESS** – The name and address Hilcorp has on file