

Product Supplement for On Demand Accounting

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Introduction

On Demand Accounting is a comprehensive cloud-based accounting system purpose built for upstream oil and gas operations. Functionality includes authorization for expenditures, accounts payable, joint interest billing and revenue distribution. On Demand Accounting is an accounting software that consists of the Standard Functionality and related optional Add-Ons as described below.

Software License Options and Metrics

This document defines the Standard Functionality and Add-Ons together with applicable license metrics that are available for Customer's access under mutually agreed On Demand Accounting SaaS Subscription Order(s). Such Order(s) shall specify the selected Add-On(s) and authorized license metric quantity.

Vendor may update or revise this Product Supplement from time to time. Updates will be made available within this document including the date of change as well as the changes made. New versions will enter into force immediately, except for any ongoing annual or committed Subscription Term, for which the previous version will apply until the end of such ongoing term, subject to the terms of the Agreement and Order. Customer should review the Product Supplement prior to using the Software to stay informed about the applicable license metrics. Capitalized terms are defined herein, in the Order, or the Agreement for the purchase of the Subscription(s).

Metric Definitions

- **Edit Users:** Users licensed to all functions such as create and edit for master data, transactional data, and reports per authorization.
- **Reporting Users:** Users licensed to run reports per authorization. Reporting users have no access to update or edit.
- **Workflow Users:** Users licensed to review or approve documents per authorization.

Description of On Demand Accounting Standard Functionality & Add-Ons

On Demand Accounting Standard Functionality

The On Demand Accounting Standard Functionality includes the following:

- **Company Codes:** Functionality to manage separate ledgers for multiple legal entities while sharing a common chart of accounts, properties, vendors, and owners.
- **Entity Maintenance:** Functionality to manage Vendors, Owners, Purchasers and Operators sharing common identification codes and appropriate details specific to the business association.
- **Division Order:** Functionality to manage revenue and expense divisions of interest including application of transfer orders to all active decks by grantor to grantee(s).
- **Accounts Payable:** Functionality to record invoices and disburse per payment terms as defined in the vendor record. Also includes 1099 management and reporting.
- **Accounts Receivable:** Functionality to manage joint venture or miscellaneous accounts receivable.
- **Revenue Processing,** functionality to record purchaser checks, review status of owner's revenue, distribute revenue based on entitlements within revenue division of interest. Disburse revenues with appropriate check stub details by check or ACH.
- **Joint Interest Billing:** Functionality to divide partner expenses from joint ventures, according to the specific agreement terms.
- **Authorization For Expenditure:** Functionality to prepare cost estimates, approve AFEs, and monitor all project budgets.
- **Well Groups:** Functionality to group wells for reporting.
- **Well Allocations:** Functionality to allocate expenses or revenue to the well level based on set percentages or well count.

- **Integration:** Functionality for out-of-the-box integrations with other On Demand applications such as land, production, well operations and Execute AFE.
- **Reporting:** Standard reporting with ability to export data to Excel and built-in report writer.
- **Standard Data Hub:** Provides the ability to securely access structured data on demand for reporting and analytics using a tool of your choice. This Business Intelligence module, connector, data warehouse/data mart is refreshed daily and accessible in raw or preformatted formats.

On Demand Accounting Add-Ons

Add-Ons/Enhancements for the On Demand Accounting Software are available and they can be separately licensed on top of the On Demand Accounting Standard Functionality. The On Demand Accounting Standard Functionality is a prerequisite for being able to purchase any of the Add-Ons/Enhancements under this Product Supplement.

The following Add-Ons/Enhancements are currently available in On Demand Accounting:

Application Add-Ons

- **AP Workflow:** Functionality to electronically manage invoice capture, coding, approval routing and approval authority. Utilizes Dynamic Docs functionality which enables search and grouping functionality for AP invoice images based on related invoice data.
- **Document Insights:** Add-On for AP Workflow which uses Optical Character Recognition to automatically capture and record vendor and invoice details to save time in the coding process.

Infrastructure Enhancements

- **Premium Data Hub:** Provides the same functionality as Standard Data Hub with the ability for the data to be refreshed up to every 2 hours.
- **Sandbox Environment:** A secondary environment hosted by the vendor in order to facilitate client testing and data migration activities. Sandbox environment is not meant to be used on a daily basis and therefore does not have comparable performance to the Production environment. Data in the Sandbox environment can be refreshed from Production environment by submitting a support ticket. Vendor is not obligated to honor refresh requests that are submitted less than 60 days since the previous environment refresh.

General On Demand Accounting Licensing Terms

The On Demand Accounting Software is licensed separately for the Standard Functionality and each Add-On according to the licensing scheme described in the Agreement and the Order (including this Product Supplement). Unless otherwise stated, a pre-requisite for licensing and implementing Add-Ons is that the On Demand Accounting Standard Functionality is licensed and properly installed.

Subject to the terms of the Order, an On Demand Accounting Software Subscription entitles Customer to receive access to the Standard Functionality and selected On Demand Accounting Add-On(s) identified in the Order for the term of the Order in connection with and for the benefit of the Licensed Operation(s) operated by Customer as defined in the Order. The Standard Functionality and Add-Ons are licensed under a scheme where the Edit Users, Reporting Users, and/or Workflow Users of the Customer's Licensed Operation(s) are used to determine the annual Subscription Fee.

The Standard Functionality, selected Add-On(s), Licensed Operation, and the applicable initial Edit Users, Reporting Users, and/or Workflow Users are identified in the Order together with any special terms agreed between the Parties.

Changes to Edit Users, Reporting Users, and/or Workflow Users

Renewal Terms: Prior to each renewal term, Vendor will review Customer's actual Edit Users, Reporting Users, and/or Workflow Users in the Software for the previous twelve (12) calendar months ("Actual Edit Users, Reporting

Users, and/or Workflow Users”) to determine the Fees for the next renewal term. If Customer’s Actual Edit Users, Reporting Users, and/or Workflow Users on each day in such period are less than the licensed Edit Users, Reporting Users, and/or Workflow Users, the applicable annual price adjustment (in accordance with the terms of the Agreement and Order) will be applied for the renewal term. If Customer’s Actual Edit Users, Reporting Users, and/or Workflow Users on any day exceeds the licensed Edit Users, Reporting Users, and/or Workflow Users, the applicable Fees for the renewal term shall be calculated based on the Actual Edit Users, Reporting Users, and/or Workflow Users using the Vendor’s then-current pricing formula.

Exceeding Licensed Edit Users, Reporting Users, and/or Workflow Users: The Licensed Materials may be used to manage no more than the Edit Users, Reporting Users, and/or Workflow Users level specified in the Order. Customer will be charged for additional Edit Users, Reporting Users, and/or Workflow Users that exceeds the licensed quantity, at Vendor’s then-current pricing in effect at the time the additional Edit Users, Reporting Users, and/or Workflow Users are added.

Increasing Edit Users, Reporting Users, and/or Workflow Users During a Subscription Term: Customer may increase the licensed Edit Users, Reporting Users, and/or Workflow Users during an ongoing Subscription Term upon request and subject to (i) payment of an increase in Subscription Fees, calculated at Vendor’s then-current rates at the time of the increase and (ii) execution of an amendment to the Order and/or new Order confirming the increased Edit Users, Reporting Users, and/or Workflow Users level and agreed Fees. When increasing the licensed Edit Users, Reporting Users, and/or Workflow Users level during an ongoing Subscription Term, additional Subscription Fees will apply as of the date set forth in the applicable amendment to the Order and remain in effect through the remainder of the ongoing Subscription Term and will be invoiced in full the month after setting the higher Edit Users, Reporting Users, and/or Workflow Users level. Thereafter, the applicable Subscription Fee(s) will be invoiced annually with the other Subscription Fees.

No Decreases to Edit Users, Reporting Users, and/or Workflow Users During a Subscription Term: Customer may not decrease the licensed Edit Users, Reporting Users, and/or Workflow Users during any ongoing Subscription Term.

Delivery of the Software: The Software Subscription(s) will be delivered to the Customer on or before the License start date specified in the Order. Delivery shall be deemed to occur upon the Software being made available to the Customer, including but not limited to the physical delivery of media, provision of a download link, provision of login credentials, the issuance of license keys or any other means by which the Software is made available to the Customer. If access to the Software includes access to Module(s) or Add-On(s) of the product suite for which Customer has not procured a Subscription, Customer is not entitled to extend the use of the Software to such additional Module(s) or Add-On(s) without procurement of additional Subscription(s). Any hardware and software needed for the Customer to access the Software shall be at the Customer’s responsibility to acquire, install, and maintain.

An Order for the relevant Software Subscription must be in place before starting any design, configuration, and/or implementation activities in the Software.

[Change Log](#)

Date of Change	Details of changes
November 21, 2023	Initial Release
December 21, 2023	Product Management reviewed
October 24, 2024	Software Delivery Update