

Accounting for Producer Imbalances

8 hours of CPE Credit are awarded

This one-day class provides Revenue accountants with insight into the complex world of Producer/Owner Gas Balancing. It tackles the “Whys and Hows” of producer imbalances, explores cash balancing agreements and how they help resolve producer imbalances, deals with cash balancing on over or under delivered balancing after the property is depleted, accounting for gas sales using both the entitlement and sales gas revenue recording methods, discusses facility imbalances and over/under delivered balance financial reporting. Several problems and case studies are included for interactive participation.

Who Should Attend:

- Revenue Accountants who work with Natural Gas
- Production and Property accountants who work with Natural Gas

Delivery Method: Group-Live

Program Level: Basic

Recommended CPE Credits: 8

Advance Preparation: None

Prerequisites: None

Field of Study: Accounting

Prerequisite: None, but familiarity with Revenue Accounting is helpful

Upon Completion of this program participants will be able to:

- Perform the calculations to create a producer balancing statement
- Be able to differentiate accounting effects of paying on entitlement vs. actuals
- Be able to resolve producer imbalances
- Be able to do the reporting associated with producer imbalances

Key Topics:

- How and why producer imbalances
- Cash balancing agreements and how they help resolve producer imbalances
- Cash balancing on over delivered balances when the producing property has depleted
- Accounting for gas sales using the:
 - A. Entitlement method for recording gas revenue
 - B. Sales method for recoding gas revenue
- Facility imbalances
- Financial Accounting and reporting relative to over (under) deliveries
- How over (under) delivered balances should be valued under the entitlement method for recording gas revenue

Case Study One – Involves calculating the amount due (under) delivered owners under cash balancing

Case Study Two – Involves recording gas sales under both the sales and entitlement methods of accounting



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