

Replacing QuickBooks, Ironwood Midstream Energy Partners Saved 30 hours a Month by Automating Financial Operations Across Multiple Businesses

Implemented WolfePak purpose-built oil and gas software solution



COMPANY SNAPSHOT:

Best in class oil and gas midstream services with 242+ miles of pipeline

FOUNDED: 2015

LOCATION: San Antonio, TX



BENEFITS:

- Ironwood can easily manage multiple companies using one WolfePak solution.
- Automation and integration eliminates 30+ work hours a month.
- Digital document management greatly reduces manual input, paper and invoice management.
- Secure data field capture integrates production and operational data for advanced reporting and analytics.



THE CHALLENGE: A fast-growing midstream company outgrows QuickBooks

Ironwood Midstream Energy Partners designs, constructs, and operates crude oil and natural gas pipeline systems, bringing value to producers across North America with access to premium markets and top-notch customer service. Founded in 2015, the San Antonio, Texas-based company has approximately 242 miles of crude oil and natural gas pipelines in West and South Texas.

With financial backing from venture capital firm EnCap Flatrock Midstream, in late 2019, Ironwood Midstream announced the formation of a second company, Ironwood Midstream Energy Partners II, LLC ("Ironwood II"), an independent energy company providing midstream infrastructure for oil and gas producers working in shale plays across North America. Pursuing greenfield projects and acquisition opportunities in Texas, Ironwood II purchased midstream assets from Twin Eagle Gardendale Pipeline, including 137 miles of active crude oil gathering pipeline with connections to multiple long-haul pipelines. With that acquisition they now had access to the U.S. Gulf Coast, Three Rivers, and Houston markets, doubling its footprint practically overnight.

Ironwood Midstream's financial team went from managing three companies to five in only a few months' time, and all of their respective assets. Such rapid growth demanded a more robust accounting and financial management solution, according to Matt Kirchner, CPA, director of accounting for Ironwood Midstream.

The company now handled the assets of five businesses within QuickBooks, which was challenging and resource-intensive to manage for a number of reasons: no employee controls, no advanced analytics, and no turnkey way to manage fixed assets. While the assets were recognized in QuickBooks, the data wasn't stored in the application.

As a result, Ironwood had to work around this lack of functionality by managing assets in Microsoft Excel, and the process of translating and managing this data separately was untenable.

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Matt Kirchner, CPA, director of accounting for Ironwood Midstream

Another area in which Kirchner and his team struggled was the lack of employee access and controls with QuickBooks. With more team members requiring access to operational data, Ironwood Midstream had no easy way to organize this process, requiring additional manual work to provide the right access and data reports people needed. “We wanted a way to define the level of access for different users,” Kirchner said. “With QuickBooks, it’s all or nothing.”

The lack of report writing within QuickBooks meant that Kirchner and his team had to export data into Excel and manipulate it before he could prepare a presentation, a tedious and time-consuming process that took many hours to complete.

It was time to make a change.

THE SOLUTION: Automate and integrate production and financial data with ease

Ironwood Midstream’s goal was to find a product that would be immediately useful. That meant finding a solution purpose-built for oil and gas, flexible enough to provide on-demand reporting, and with robust security and access controls. With these criteria in mind, the company’s finance team started evaluating options, including solutions from NetSuite, Sage, W Energy, and WolfePak. After a rigorous selection process, Ironwood Midstream selected WolfePak.

“The WolfePak team did a great job vision-forecasting the functionality of the software and plans for the future,” Kirchner said. “I don’t think we would have gotten this kind of time and attention from the other vendors we considered.”

Shared values clinched the deal. “We could tell WolfePak was a great fit,” he said. “They run their business the same way we do, with a commitment to customer service.”

THE IMPLEMENTATION: A strategic approach supported by a dedicated WolfePak support team

Staggering the implementation, Ironwood Midstream started with the recently acquired company then progressed to the legacy business units. The first solution integration was with the WolfePak Midstream ERP, and Ironwood Midstream quickly migrated to the automated AP workflow.

The AP automation coupled with WolfePak’s digital document management solution, DocVue, manages the invoicing process from start to finish. WolfePak lets Ironwood intelligently capture and extract data from documents, create configurable workflows, batch invoices, and manage status, approvals, and changes electronically. With DocVue, Ironwood Midstream’s team can login from anywhere to upload documents, submit to electronic workflows, easily search and retrieve documents, and streamline data processing. In addition, the DocVue implementation was “incredibly smooth” in Kirchner’s words. “It was a fantastic conversion,” he said.

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The next step for Ironwood Midstream is the rollout of WolfePak Mobile for Midstream, a fully integrated mobile electronic ticketing solution for the collection, management, and automation of oilfield tickets. The software will eliminate the current process, where field data is manually captured, transferred into Excel spreadsheets, then outsourced it to a third party—a time- and resource-intensive task. Since WolfePak Mobile can handle the data capture, aggregation, and reporting, Ironwood Midstream anticipates it will be a big time-saver.

THE RESULTS: Comprehensive financial management with advanced analytics, reporting, and on-demand data

Ironwood Midstream experiences the benefits of the WolfePak solutions daily. Automation eliminates many manual processes, streamlines operations and saves time. The Ironwood Midstream team estimates the time savings to total around 30 hours a month, and expect that to increase over time, especially as the mobile app gets up and running.



Overall time savings



30
hrs/month

Report writing time savings



8
hrs/month

The report-writing features of WolfePak easily saved the company eight hours a month. The finance team can take a report out of analytics, and it's ready to go, formatted just the way they want it. Building board presentations has never been easier for the team.

DocVue has dramatically reduced the need for paper and sped up processes across the board, letting the team intelligently capture paper and electronic invoices. WolfePak's AP automation features coupled with direct integration into DocVue lets Ironwood send out invoices from any device or location. As a result, Ironwood Midstream now has fully documented audit trails and can access and set proper controls for this information instantly. Lastly, workflow and document analysis provides new insights into its AP and vendor management it didn't have before, increasing the value of the company's reporting overall.

"DocVue enables our entire field group to be fully engaged in the AP process in real-time, wherever they are," Kirchner said. Controlled access is also a big plus. With the addition of WolfePak Mobile, almost everyone in the company will be using WolfePak to some extent, so the financial team can be particular and define appropriate levels of access.

Ironwood Midstream can now adapt to market fluctuations through streamlined operations and smart automation. Improving the flow of information means better data, powering better decisions. With the enhanced efficiency, reduced costs, and time savings offered by WolfePak, Ironwood Midstream has a solution that will scale as it grows.



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