WolfePak
SOFTWARE

Efficient, End-to-End ERP System for Crude Purchasing

Lincoln Crude Oil Marketing

Lincoln Crude Oil Marketing, LLC is an independent, privately held oil purchasing company located in the Illinois Basin with the mission of connecting the Illinois Basin to a variety of oil markets to provide local producers the best possible price for their oil.

SCALING OPERATIONS

When Lincoln Crude originated, outsourcing accounting operations made sense. Priority number one was building out and completing the Patoka Terminal, the offload point for purchased crude. As they readied to engage in full-scale marketing, Lincoln Crude knew it needed a system built to handle the purchase and sale of crude. The system had to handle distributing revenue to owners and/or operators, track division orders and all accompanying due diligence, maintain record of pricing contracts and ultimately produce financials for the entire organization.

ENTER WOLFEPAK SOFTWARE

WolfePak ERP Midstream is an all-in-one crude purchasing system encompassing accounts payable, payroll, revenue/billing, run ticket data, division orders, contracts and financial reporting. Having prior experience with WolfePak in other companies, Lincoln Crude's management team selected WolfePak as the system of record for their on-going buying and selling needs.

As Chief Financial Officer for Lincoln Crude, Steve Tate knows well the capabilities of WolfePak. He and his team have maximized their usage of the software throughout the organization. As CFO, Tate is responsible for the overall financial health of the organization which means he needs visibility to the whole financial picture with the ability to drill down quickly into anomalies.

ANALYZING DETAILS

"The financial reporting available within WolfePak has been really helpful to me as it gives me that instant access to real-time information such as the income statement, balance sheet or even a payroll report," Steve commented. "More importantly, it is easy to dig into the underlying data whether that is evaluating a set of transactions or comparing month-over-month numbers for a particular expense."

Full Scale ERP System

All-in-one crude purchasing system

Financial reporting with real-time access to data

Division Order process simplified and streamlined

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Tate has mastered the Financial Reporting module within WolfePak, which he credits to the Financial Reports training class in Abilene, Texas. However, he takes building custom reports to an all-new level. His custom reports pull data for a multitude of sources within WolfePak allowing him to monitor operating expenses on a per barrel basis. With his report set-up, he carries the standard Net Income and Revenue lines on his financial statements, but has built a report structure that gives him easy access to some of the finer details to analyze costs and revenue down to the barrel. In addition, he finds the budgeting tool extremely helpful as it allows him to actively monitor budget vs. actuals and correct course when needed.

Financial Reports are in a sense the book cover. Completely necessary and extremely useful, but without the detailed pages inside, you do not have a full book. WolfePak provides the cover but is also the source for the detailed data.

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CENTRALIZED DATA

As the system of record, WolfePak helps Lincoln Crude streamline the vast amounts of data entry and data aggregation needed to run the operation and avoid data silos found often when using disparate systems. Areas for potential disconnect include run tickets, payroll, contracts and division orders.

Tracking Division Orders can be a cumbersome process. Once the property is set up and the DOI (division of interest) entered in WolfePak, you simply print the division order and send it off. Since WolfePak has the capability to print one DO letter per owner inclusive of all properties, Lincoln Crude has a more efficient DO process that is accurate and much faster.

STREAMLINING RUN-TICKETS

Lincoln Crude is also a customer of WolfePak's Mobile Division. Before switching to WolfePak Mobile Midstream, Lincoln Crude processed run tickets monthly which required manipulating a CSV (Excel) file from their vendor and mashing it into WolfePak. Reconciling and updating tickets was no easy task. With WolfePak Mobile, they have instant access to ticket data, copies of run tickets and a seamless integration into WolfePak ERP.

Equipped with this mobile system, their drivers capture electronic ticket data and can generate a paper copy for the operator/producer. This provides Lincoln Crude with real-time access to its run ticket data which allows them to proactively address discrepancies and errors. Now when a driver offloads at the Patoka Terminal, Lincoln can compare the LACT unit report against the run ticket to double check the data for accuracy reducing the time needed at the end of the month for reconciliation.

The monthly process for a crude purchaser has the potential to be chaotic. However, Lincoln Crude has it down to an exact science and running like a well-oiled machine, so to speak. With WolfePak housing the various components of pricing contracts, generating monthly run statements is a matter of creating and processing a cycle via the imported run ticket data. WolfePak Software keeps and applies the terms of each individual contract, accounting for pricing, fees, penalties, scale adjustments, driver rates and other variables. Post-completion, the cycle books the appropriate amounts to the General Ledger and on through to revenue distribution and payroll.

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SUMMING UP WOLFEPAK

Tate sums up his experience with WolfePak Software by saying, "If you are in oil and gas this is the software you want. It does everything including AP, accounts receivable, payroll, first purchasing, revenue distribution – kind of an all-in-one for your oil accounting needs. It covers all the bases, meaning you don't have to string together a bunch of separate systems and hope the data is connected correctly."