

FAQs



HOW DO I CONTACT ENCINO ENERGY?

We value all of our landowners and remain dedicated to timely addressing your questions.

Please contact our Owner Relations Team by:

Phone: 866-858-9001

Email: ownerrelations@encinoenergy.com

**Mail: Encino Energy • Owner Relations
5847 San Felipe St, Suite 400 • Houston, TX 77057**

To better serve you, please include your name, owner account number, email and/or phone number and a good time to reach you. This will allow us to pull up your individual account and address your specific questions.

WHAT IS AN OWNER ACCOUNT NUMBER AND HOW DO I FIND MINE?

Each owner is assigned a unique owner account number that covers all of the owner's interests with Encino.

If your interest is in Ohio, your owner account number is 6 digits long (e.g., 101234).

If your interest is in Oklahoma or Texas, your owner account number is 5 digits long and begins with a 0 (e.g., 06100).

Your owner account number can be found on all checks and letters you receive from us, so please include them in all your communications with us.

HOW DO I NOTIFY ENCINO ENERGY OF A CHANGE IN MY MAILING ADDRESS?

There are 2 easy ways to notify us if your mailing address has changed:

1. Please fill out the change of address form found under the "important documents" link (or click [here](#)) and either mail it or email it to OwnerRelations@encinoenergy.com.
2. You may also fill out the change of address form within the [Owner Portal](#).

For your protection, we cannot accept address changes over the phone.

HOW DO I GET COPIES OF MY CHECK DETAIL STATEMENTS AND 1099S?

You may access any revenue check detail issued by Encino Energy 24 hours a day, 7 days a week by logging into your owner online account found in the "Online Accounts" [link](#).

To obtain login information for the first time, please call **1-855-301-5241** for assistance. You will need to verify your name and address and provide your owner account number.

For owners with interests in Ohio, you will be able to access your 1099s via your owner online account beginning in February 2021.

For owners with interests in Oklahoma and Texas, your 1099s are already available on your owner online account.

WHERE CAN I GET HELP UNDERSTANDING MY CHECK DETAIL STATEMENTS?

We have provided a handy guide that you can access [here](#) that will answer most of your questions. For specific questions regarding your check detail statements, please call us at **866-858-9001** or email us at OwnerRelations@encinoenergy.com.

HOW DO I ADD AN OWNER TO MY OWNER ACCOUNT OR NOTIFY ENCINO OF A NAME CHANGE?

To add an owner to your account, you must file and provide a copy of a recorded deed, assignment or other instrument establishing the addition of the owner, whether this is a joint tenancy or adding a power of attorney.

For name changes, it depends on the circumstances:

Marriage or Divorce: please provide us with a copy of the marriage certificate, divorce decree, or other document effecting the name change.

Corporation or Partnership: Please provide a copy of the certificate of name change or certificate of merger.

CAN I SET UP DIRECT DEPOSIT FOR MY ROYALTY REVENUE PAYMENTS?

Yes! We are pleased to offer direct deposit (aka ACH) into your checking account. By signing up for direct deposit, you will no longer receive a paper check or check detail statements in the mail. Instead, you can access all of your details at your convenience on our [online Owner Portal](#).

To sign up, please complete the direct deposit form found [here](#) with a voided check.



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WHEN ARE ROYALTY REVENUE PAYMENTS MAILED?

For Ohio interests, revenue payments over \$25 are mailed out on the last day of the month.

For Oklahoma and Texas interests, revenue payments over \$100 are mailed out on the last day of the month.

Please note however, that checks of any amount will be remitted once per year.

To eliminate any possible standard mail delays, please consider signing up for [direct deposit](#).

WHAT SHOULD I DO IF MY CHECK IS LOST, STOLEN OR BECOMES OUTDATED?

If you have not received your check by the 20th of the month, please call Owner Relations at **866-858-9001** or email OwnerRelations@encinoenergy.com to let us know. Your check will be voided and reissued in a subsequent checkwrite once we confirm the check has not cleared.

If you do find your lost or stolen check after submitting a void request, please do not attempt to cash or deposit it. If you do so, you may be charged with bank fees.

WHY DID I NOT RECEIVE A ROYALTY REVENUE PAYMENT OR WHY IS MY PAYMENT LESS THAN LAST MONTH?

While each situation is unique, there are some common possible reasons listed below. We are happy to research your specific case if you call 866-858-9001 or email us at OwnerRelations@encinoenergy.com.

- Your interest may be held in suspense for outdated address, tax ID needed, or title requirement
- The revenue accrued has not reached either the \$25 minimum required in Ohio or \$100 minimum for Oklahoma and Texas to issue a check
- Wells may be shut in or undergoing maintenance
- The biannual ad valorem tax deduction may have been charged.
- Market conditions can cause variances in the prices that impact revenue. Many circumstances can affect both production and price, such as Hurricane Katrina in 2005, which caused a rise in prices because of disrupted production in the Gulf of Mexico. Conversely, prices decreased with COVID-19 when demand of oil declined. When either production or prices change, your checks will be impacted accordingly.

WHY ARE OLDER PERIODS AND PAYMENTS SHOWING UP ON MY CURRENT CHECK?

Prior period adjustments may be required to your interest to reflect various corrections to past price, volume, or interest. These are customary in oil and gas and can also be to your benefit. Furthermore, the prior period adjustment may not impact your

interest. You will see prior months repeated when any other person's interest is adjusted; however, in such a circumstance, the net change to you is zero. We are happy to help explain any specific instance if you call **866-858-9001** or email us at OwnerRelations@encinoenergy.com.

HOW IS MY ROYALTY OR DECIMAL INTEREST CALCULATED?

We calculate your royalty interest by dividing your net acreage in a unit by the total acres in the unit and then multiplying that number with the lease royalty rate found in your lease. The total number of acres in the unit is determined by the Declaration and Notice of Pooled Unit (DPU) filed by the operator.

Both your royalty interest, also known as decimal interest, and the total number of acres in a unit are included in your division order.

WHAT IS A DIVISION ORDER?

This is simply a document that is mailed out to landowners to confirm their ownership interest in a well. It will have the well name, well number, unit acreage, and your decimal interest. When you sign and return it, you are confirming the information is accurate and authorizing the distribution of funds. You will need to return one for every well for which you are receiving payment.

WHOM DO I CONTACT WITH SPECIFIC WELL STATUS, DEDUCTIONS, AND LEASE QUESTIONS?

You can contact Encino's Owner Relations Department by calling **866-858-9001** or sending an email to OwnerRelations@encinoenergy.com.

IS ENCINO INTERESTED IN LEASING MY LAND OR PURCHASING MY MINERALS?

We appreciate the opportunity to review your interests. Please email OwnerRelations@encinoenergy.com or call Owner Relations at **866-858-9001** and share your name, phone number or email address, and information about your interest including number of acres, township, tax parcel (if applicable), and county. If your interests are in areas that align with our current or future drilling plans, an Encino representative will reach out to you directly.

WHY DO YOU NEED A W-9 FROM ME?

Encino Energy is required to report all payments made to landowners to the IRS. By submitting a signed W-9 form, with your tax identification number (social security number for individuals), mailing address, and federal tax classification filled out, we can report everything accurately. Without a completed W-9, we are required to withhold a federal backup withholding tax.



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WHAT TYPES OF TAXES ARE DEDUCTED FROM MY CHECK?

There are 2 types of tax deductions you may see on your check detail.

1. Ad Valorem tax is a real property tax on the value of oil and natural gas production and levied at the county level. This tax is deducted twice per year. You can learn more [here](#).
2. Severance tax is imposed on the extraction, production, and sale of natural gas and oil at the state level. It is deducted every month. You can learn more [here](#).

Encino pays both to the respective state and county.

To avoid the IRS requirement to withhold federal taxes, you will need to provide us with your social security number or tax identification number. Please note that Encino cannot withhold taxes at your request.

1099 QUESTIONS

Please note that Encino cannot offer any tax advice. Please consult with a tax professional for your tax preparing and planning needs.

1. When will I receive my 1099-MISC?
 - a. Encino mails out 1099s by the 31st of January. If you have not received your tax forms by the end of February or you believe the information is incorrect, please contact Owner Relations at **1-866-858-9001** or OwnerRelations@encinoenergy.com.
2. Why does my 1099 show more than I actually received?
 - a. The amount shown on your 1099 form is the gross income before taxes and other deductions. This is required by the IRS. It will match the gross amount shown on your check stubs. For more information please click [here](#).

HOW DO I GET A COPY OF MY LEASE?

We are happy to provide a copy. Simply call us at **866-858-9001** or email us at OwnerRelations@encinoenergy.com. Please provide the lessor name and the county where the property is located.

WHEN CAN I EXPECT TO RECEIVE MY LEASE BONUS PAYMENT?

You can find out your lease bonus amount and when you can expect payment by reviewing your Order of Payment. It will also let you know whether your bonus payment will be made in 1 or 2 payments.

DOES ENCINO PROVIDE MINERAL INTEREST VALUATIONS?

Encino does not provide any type of valuation or opinion on your mineral interests.

OWNERSHIP CHANGE QUESTIONS

OWNER ASSIGNS OR SELLS INTEREST

Please provide a copy of the recorded conveyance document. The document must be recorded in the county where the well is located.

OWNER PASSES AWAY

...*without* a will. Please provide the death certificate and an affidavit of heirship recorded in the county where the well is located. For interests or estates of a considerable size, we may require the estate be probated.

...*with* a will. Please provide the death certificate and copy of final distribution/decree from the recorded probate. If probate occurred in another state, we require a copy of the final distribution/decree be recorded in the county where the well is located.

...*Owner had a life estate*. Please provide the death certificate and recorded conveyance document to the remaindermen.

INTEREST CONVEYED TO A TRUST

When a trust is created, we will need copies of the trust agreement and the recorded conveyance to the trust in the county where the well is located.

CHANGE IN TRUSTEE

Please provide us with a copy of the recorded document identifying the successor trustee.

GUARDIANSHIP

If a guardian has been appointed to an owner, we will need a copy of the letters of guardianship issued by a local court.

POWER OF ATTORNEY

To add an appointed power of attorney to an owner's account, we require a copy of Power of Attorney or Attorney-in-Fact recorded in the county where the well is located.



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