





can be submitted to the Accounting Department. If adding the account can be adequately justified it will be set up for use.

### **Where to Find Account Information**

A listing is kept on our vendor website [Canadian Vendors - Vermilion Energy](#).. There is also a search function within OpenInvoice to locate the correct account.

### **Cost Center**

The cost center is a numeric code that identifies where the cost is being charged to (e.g. which asset). There are different types of cost centers depending on what the asset is. These include but are not limited to: wells, gas plants, oil batteries, pipelines, and compressors. There is not always a one-to-one ratio between a UWI (unique well identifier) and a cost center. This is because there may be more than one asset at a particular site. At a UWI there may be a cost center for the well and a booster compressor for example.

It is very important to use the correct cost center when coding out the expenses on an invoice. If you are ever uncertain of what cost center to use for a site that has more than one cost center attached to it, speak with the individual who ordered the good or service.

### **AFE Number**

Typically, an AFE is raised to capture costs for a specific job. A detailed description of the job along with the cost estimate is routed for review and approval using SAP Project Builder. These expense type AFE's are raised for one of two reasons: a Well Intervention or a Major Project.

The structure of an AFE is as follows:

First Two Letters:

- Identifies the country (e.g. CA= Canada, FR= France)

Next two Letters:

- Identifies the type of AFE (e.g. IV= Intervention, MP= Major Project, DR=Drilling)

First Two Numbers:

- Indicate the year the AFE was raised (e.g. 15= 2015, 16=2016)

Remaining Numbers:

- Assigned by SAP Project Builder sequentially when AFE is approved.

### **Activity Date**

For all expenses that are Opex related, an activity date is required.. The activity date of an expense is **NOT THE INVOICE DATE.** The activity date is the date the service was performed or the date the goods were delivered. This date may not always be found on the invoice itself but rather in the backup documentation (e.g. work tickets). In instances where there are multiple dates, there should be a separate line of coding that corresponds to each date. The date format is MM/DD/YYYY therefore work tickets can



be sorted out into months and combined for one line coding per month assuming the minor accounts are the same.

## Wages & Benefits

- **600230 Contract Services**
  - Use for services that are not associated with an actual job. For example, the labour portion of servicing a wellhead WOULD NOT be coded to Contract Services but would be coded to Wellhead Maintenance and Repairs. E.g. -Iris charges would go to asset integrity accounts 9375. Not much should be coded here try to push out to the function unit.
- **600260 Contract Labour**
  - Labour used on a temporary basis (e.g. to cover a maternity leave or vacation) and paid to a company that has provided you with the labour. This does not include contract operating.
- **600250 Education and Training**
  - Use for any training and education programs NOT ASSOCIATED WITH: Environment, Health, and Safety training. (Not the labour to attend the training course.)
  - This would include courses involving computer systems as well as general knowledge courses such as the Oil and Gas Overview course held at SAIT annually. E.g. – Solis courses
- **600290 Membership, Association and Certification Fees**
  - Use for any fees associated with memberships, associations, and certifications. E.g. –for corporation or individuals
  - An example is the annual fee paid to Canadian Spill Services for a Membership that is in conjunction with the ERCB's Directive 071.
- **600340 Contract Operator**
  - Use for any operators that submit an invoice for their time and are not full time employees of Vermilion.
  - Relief contract operating.
- **600350 Contract Operator Overtime**
  - Use for overtime hours associated with any invoices as discussed for 600340.

## Fuel & Electricity

- **601000 Electricity**
  - This is coded in Calgary in the form of an invoice from Valeo.
- **601010 Diesel**
- **601020 Propane**
  - All equipment (e.g. tanks) related to the propane product purchase should also be coded to this code including tank rental.



## Chemicals & Lubricants

- Within this cost category are the actual account codes for the chemical itself. In addition, the cost to transport the chemical/lubricant to the delivery point is a unique account under **Transportation & Trucking - 601950 Chemical Hauling Services**.
  - **601060 Glycol**
  - **601070 Methanol**
  - **601080 Lubricants**
  - **601090 Corrosion Inhibitor**
  - **601100 Demulsifier**
  - **601110 Dewaxing**
  - **601120 Water Treatment Chemicals**
  - **601140 Misc. and Specialty chemicals**
    - Defoamers, biocide, clay stabilizer, acroelion, Ice check

## Facility Operation, Maintenance & Repairs

- Code any Vac and/or steaming used for Facility Operations to the applicable code where the service occurred. E.g. – cleaning out a vessel would go to Plant Process 601380
- Overhaul work typically less than 1 year. Longer term overhaul work should be coded to Capital.
  - **601220 Artificial Lift Maintenance & Repairs**
    - Used for pump jacks, electrical submersible pumps (ESP's) and plunger lift, casing gas compressors, surface repairs only.
    - Used for invoices related to pipeline corrosion prevention.
  - **601240 Compressor Maintenance & Repairs**
    - Used for service and repair of the compressor itself – NOT THE COMPRESSOR ENGINE or aux piping/ vessels. Does not include vapor recovery unit (VRU), instrument air, and refrigeration system.
  - **601250 Compressor Engine Maintenance & Repairs**
    - Used for service and repair of the engine itself – NOT THE COMPRESSOR.
  - **601260 Electrical Maintenance & Repairs**
    - Used for purchase/ repair of any electrical equipment. E.g.- motors, MCC, Heat Trace, Grounding, Lighting, PLC programming, Charging systems such as Thermal Electric Generators (TEG's) or Solar Panels.
  - **601270 Instrumentation Maintenance & Repairs**
    - Used for purchase/ repair of any instrumentation equipment. E.g. – End devices, control valves, chemical pumps, and BMS systems.



- **601280 Plant Process Maintenance & Repairs**
  - Used for service/repair to any of the gas processing plants or oil batteries. E.g. –glycol pumps, piping repairs, exchangers, vessels, heat medium systems, refridge systems, treaters. Note – vessel/ tanks internal inspections and major repairs need to be coded to Asset Integrity 9375.
- **601300 Metering, Instruments & Controls Maintenance & Repairs**
  - Used for all costs associated with services for meter calibration and proving for wellsites and satellites. Includes annual critical end device checks for wellsites and satellites.
- **601310 Pipeline Maintenance & Repairs**
  - Maintenance and repair of pipeline risers surface valves and piping.
- **601320 Water Plant & Injection System Maintenance & Repairs**
- **601330 Wellhead Maintenance & Repairs**
  - Maintenance and repair of wellsite surface valves and piping.
- **601340 Gas Compressor Rental Fee**
  - Use for all compressor rentals. E.g. – temporary casing gas compressor, field portable gas compressor. Other types of equipment are to be coded to Equipment Rentals (602160)
- **601360 Laboratory Analysis**
  - Engine/ Compressor oil samples, glycol samples, composition analysis Note: For Gas, Condensate, Oil, NGL, Water sampling code to Downhole 601580.

## **Downhole Services, Equipment and Supplies**

- All costs including consultant wages
  - **601550 Vac Truck and/or Steaming**
    - For downhole work only. See coding above for facility related work - Facility Operation, Maintenance & Repairs and HSE for spill clean up's.
  - **601550 Wellhead Supplies**
    - For wellhead re-configuration only. Not related to facility wellhead as above in 9300.1564 Wellhead Maintenance & Repairs
  - **601570 Well Testing**
  - **601580 Fluid Analysis, Pressure Survey & Test**
    - Fluid levels, AGAT sampling, pressure build up, surface casing vent flow test.
  - **601590 Coiled Tubing Unit**
  - **601600 Downhole Pumps**
  - **601610 Hot Oiling**
  - **601220 Artificial Lift Maintenance & Repairs**
    - Includes plungers, bumper springs and replacements.
  - **601630 Rods**
  - **601620 Plunger lift**
  - **601640 Swabbing**



- **601660 Service Rig & Crew**
  - Polish rod change, stuffing box change.
- **601740 Wireline & Slickline**

## **Transportation & Trucking**

- **601880 Domestic Travel-Transportation**
  - Used primarily for expense statements. Any expenses related to travel (e.g. gas, rental vehicles, parking etc.) that are directly related to travel.
- **601890 Domestic Travel-Accommodations**
  - Used primarily for expense statements. Any expenses related to accommodations that are directly related to travel.
- **601920 Material & Equipment Hauling**
  - Used for general material & equipment hauling.
  - Trucking mats and tanks, etc.
- **601930 Trucking Emulsion**
  - Used for the transportation of oil that is not considered clean oil.
- **502020 Clean Oil Transportation**
  - Used for clean spec oil or condensate that is trucked to a sales point.
- **601940 Trucking Water**
  - Used for the transportation of produced water.
- **601950 Chemical Hauling Services**
  - Used for the transportation costs only. E.g. – Bulk methanol hauling, pressure truck, chemical tank top up's.
  - The chemical used is booked to chemical & lubricants.
  - Used for planned condy & chemical batching.
- **601650 Fracturing, Stimulating & Perforating**
  - Used for unplanned condy batching.
  - Used for the transportation costs only.
- **602000 Vehicle, Fuel, Maintenance & Repair**
  - Includes UTV, utility trailers, test seps, and portable trailers.

## **Road & Lease Fees & Maintenance**

- **602060 Summer Lease Maintenance**
  - Crew time for pumping fresh water, installing road signs, culvert markers, steaming culverts, etc.
- **602080 Spring/ Summer Grading**
- **602090 Fall/ Winter Snow Grading Removal**
  - Skid steer snow removal, small cats, sanding, etc.
- **602100 Gravel**



- **602110 Vegetation Control**
  - Vegetation control relates to spraying for weeds and mowing grass around a wellsite, facility, or similar structure.
  - For pipeline right-a-way chemical spraying and mulching code to Asset Integrity 602110.
- **602130 Civil Engineering Repair & Maintenance**
  - All work associated with bridges and culverts

## **Materials and Supplies**

- **602160 Equipment Rentals**
  - Sand separators, water pumps, line heaters, hydraulic pump jack, genset rentals.
- **602180 Tools and Consumables**
  - Raytech heat guns, hand tools, power tools, absorbable pads, parts cleaners.
- **602200 Camp & Catering**

## **Environment, Health and Safety**

- **602210 Incident Tracking and Investigation**
  - Major investigations only, where there may be large costs associated with failure analysis, investigation time etc.
- **602220 Health and Safety**
  - Purchase or servicing/ repair of Fire extinguisher, SCBA's, First Aid equipment, AED's, Safety meeting meals, Two way radio, GeoTrac, Phone boosters, answering service charges, Health assessment and surveys such as NORMS, Noise, Asbestos.
- **602230 HSE Compliance (Audits/Reports)**
- **602260 Environment, Health & Safety Training**
  - Any education, training, conference or certification costs associated with HSE. Safety related guest speakers.
- **602280 Lease, Facility & Pipeline Spill Clean & Restoration**
  - Used for any clean up and restoration costs associated with a minor spill.
  - Longer term spill clean-up work should be coded to the abandonment Capex AFE. Larger spill clean up's have their own MPE AFE over 25K. These costs often fall within a Major Project Expense AFE or Capital AFE. Ensure there is not an MPE or Capital AFE for the cost you are coding.
- **602290 Personal Protective Equipment**
  - Safety glasses/ goggles, gloves, coveralls, boots, respirator, gas monitors etc.
- **602310 Waste Removal & Destruction**
  - Not to be confused with waste disposal related to tank clean outs.
  - This is for Waste Bins and Non Domestic Garbage

## **Office Expenses**

- **602400 Telephone, Internet and Fax**





- **602410 Office Rent**
  - This is for the rent only. Associated expenses such as cleaning and security have other accounts that should be used.
- **602450 Postage and Delivery**
- **602460 Computer Services, Licenses & Hardware**
  - Any services to the office computers or any parts required for the office computers.
  - Software licenses and software out of the box.
- **602480 Office Equipment, Stationary & Supplies**
  - Includes any small equipment purchases and stationary.
  - Includes water, coffee, pop and juice purchases.
  - Includes paper towels, toilet paper, hand soap and sanitizer.
- **602490 Office Building Maintenance & Security**
  - Used for cleaning services and cleaning supplies for the office building.
  - Also for anything related to security of the office such as locksmiths, padlocks, security monitoring costs and all utilities.
- **602830 Chart Reading, Flow Measurement, Field Data Capture**
  - Zedi, IScada, and Data Scavenger.
- **602840 Licenses**
  - Used for any licensing costs or fees associated with the AER.

## **Emulsion, SWD, Oil Terminal and Disposal**

- **602620 Emulsion Treating**
- **602630 Crude Terminaling**
  - Rarely used.
- **602640 Salt Water Disposal**
  - Produced Water
- **602660 Waste Disposal**
  - Include Truck Flushing and Waste Water.

## **Asset Integrity Codes**

- **601160 Corrective Maintenance**
- **600020 Company Salaries & Wages**
- **600230 Contract Services**
- **600260 Contract Labour**
- **601880 Domestic Travel – Transportation**





- 601890 Domestic Travel – Accommodation
- 601900 Domestic Travel – Meals & Entertainment
- 602770 Business Taxes & Licenses
- 602110 Vegetation Control
- 602210 Incident tracking and Investigation
- 602220 Health and Safety
- 602230 HSE Compliance (Audits/Reporting)
- 602240 Environment
- 600340 Contract Operator
- 600350 Contract Operator Overtime
- 602070 Road Use Fees
- 602160 Equipment Rentals
- 601580 Fluid Analysis, Pressure Survey, & Test
- 601920 Material & Equipment Hauling
- 601930 Trucking Emulsion
- 601940 Trucking Water
- 602840 Licenses
- 602250 Lease, Facility, & Pipeline Inspect & Clean
- 603070 Third Party Operator Overhead Fees
- 601020 Propane
- 602080 Grading
- 602090 Snow Removal
- 601610 Hot Oiling & Steaming
- 601090 Corrosion Inhibitor
- 601110 Dewaxing
- 602260 Environment, Health, & Safety Training
- 601230 Cathodic Protection Maintenance & Repair
- 601280 Plant Process Maintenance & Repairs
- 601300 Metering, Instrument, & Control Maintenance & Repairs
- 601310 Pipeline, Maintenance & Repairs
- 601320 Water Plant & Injection System Maintenance & Repairs
- 601330 Wellhead Maintenance & Repairs
- 601950 Chemical Hauling Services
- 601980 Helicopters
- 601350 Surface Pumps Maintenance & Repairs
- 602170 Valve, Tap, & Fitting – Non Controllable
- 602270 Inspection & Testing
- 602280 Lease, Frac, & Pipeline Spill Clean & Restore
- 601360 Laboratory Analysis
- 602180 Tools
- 601990 Vessel Maintenance & Repair
- 602290 Personal Protective Equipment
- 602100 Gravel



- **601130 Chemical Application Services**
- **602000 Vehicle, Fuel, Maintenance & Repair**
- **602480 Office Equipment, Stationary & Supplies**
- **602110 Vegetation Control**
- **601140 Misc. & Specialty Chemicals**
- **602010 Misc. Transportation**
- **602120 Misc. Road & Lease Maintenance**
- **602190 Misc. Materials & Supplies**
- **602300 Misc. EH&S Services, Equipment & Supplies**
- **601410 Metering, Instrument & Control Equipment**
- **601420 Electrical & Instrumentation Equipment**
- **601430 Pipeline Equipment & Supplies**
- **602020 Automobile Rental**
- **602130 Civil Engineering Repair & Maintenance**
- **602310 Waste Removal & Destruction**
- **601440 Engineering & Design**
- **602140 Lease Mat Rentals**
- **606080 Pressure Vessel Inspections**
- **606090 Pressure Piping Inspections**
- **606100 Structural Inspections**
- **606110 Integrity Inspection Remediation**
- **606120 Hazardous Area Inspections**
- **601450 Contract Services – Facilities**
- **603120 Vendor Discounts**
- **606000 In-House Engineering (2%)**