When will an owner be paid?

Royalty payments will be made monthly to all owners with a cumulative balance of \$100 or more unless a different amount is specified in the lease. Payments will be sent out the last business day of the month except for December as the Enerplus offices are closed over the holidays from Christmas through New Year's. The December check will be released by the second week in January. Minimal balances less than \$100 will be released annually, typically in either April or May.

What does an owner do if revenue check is lost, stolen, or becomes outdated?

Please allow (10) business days for your check to arrive in the mail. If your check is lost, stolen or becomes outdated, please call (720) 279-5599 or email us at <u>USRoyaltyRelations@enerplus.com</u>

Can an owner receive royalty statements online?

Monthly royalty statements can be received online by contacting either Energy Link at 1-888-573-3364. They will provide you with a password to access your statements online via https://www.energylink.com/

How does an owner sign up for direct deposit or change to a different bank account?

Any direct deposit requests must be received in writing. An Enerplus direct deposit form is available on our website to fill out and return with a voided check or bank confirmation. By signing the form, you acknowledge that your monthly detail will be received either by email or via the Energy Link website. Forms received after the 15th of the month will be effective the following month. See separate pdf form on website.

What does an owner do for a change in address?

Address changes must be received in writing. Please include your name, owner number, old address, new address, the last four digits of social security number or tax id number and signature. An Enerplus address change form is also available on our website to fill out and return. See separate pdf form on website.

What does an owner do for a marital status change?

Please send a copy of your marriage certificate or a divorce decree if your last name has changed to: Enerplus Resources Corp, Attn: Division Order Department, 950 17th St, Suite 2200, Denver, Colorado 80202. See separate pdf form on website.

Why is there a state withholding tax on the monthly royalty payment?

State regulations for North Dakota and Pennsylvania require a withholding tax on all royalty payments for owners living outside the state lines that the revenues pertain to. Montana regulations require it no matter where the owner resides.

When are royalty payments suspended?

For your protection, payments are suspended upon a title dispute, assignment of interest, notice of death, transfer of property, or in the event of no known address. Keeping your information current can prevent this inconvenience.

What type of annual statements will be provided by Enerplus?

All royalty interest owners receiving more than \$10 annually will receive the annual IRS 1099 form, mailed by the last day of January every year. This statement summarizes your total gross payments, deducts and tax withholdings for the previous year. If you do not receive a statement by mid-February, please call (720) 279-5599 or email us at <u>USRoyaltyRelations@enerplus.com</u>

On the annual 1099 form why is gross values reported to the IRS instead of the net amount received?

The IRS requires Enerplus to report in Box 2 the gross values prior to any deducted expenses or taxes. To match the 1099 please use this calculation. Gross - Expenses - Taxes – State withholding (box 16) = Net received for the year.

On the annual 1099 form what is the difference between severance taxes and state tax withheld shown in Box 16?

The tax amounts shown under severance relate to production and/or extraction taxes and the tax amounts listed in Box 16 are state income taxes. Please seek advice from a tax accountant on how to handle these two tax amounts.

What happens when the interest owner in a property becomes deceased?

After Enerplus is notified, the deceased owner's revenue will be held in suspense pending receipt of the proper probate documents. See separate pdf form on website.

How does an owner transfer interest in a property?

Interest may be transferred by a deed or, when appropriate, an assignment. The deed or assignment must be recorded in the county where the property is located. Enerplus must receive a recorded copy of the deed or assignment before changing our records and issuing Division Orders. An owner should seek an attorney to prepare these documents. Please send this information to Enerplus Resources Corp, Attn: Division Order Department, 950 17th St, Suite 2200, Denver, Colorado 80202. See separate pdf form on website.

What is a division order?

A division order is a directive signed by the royalty owner verifying the purchaser or operator of a well and the decimal interest of production owned by the royalty owner. It also provides the owner's address and tax identification number (TIN).