

CASE STUDY

# NAVIGATE THE COMPLEXITY OF MERGERS & ACQUISITIONS BY OUTSOURCING OWNER SUPPORT



Montage Resources  
Corporation Navigates  
Merger While Keeping  
Owners Happy with  
Owner Relations Services

# SUCCESS AT A GLANCE



## CHALLENGES

- Post-merger Montage Resources Corporation faced an accounting system integration across the organization
- The company's revenue check and statement volume doubled with the merging of two E&P companies
- The company needed to implement a successful integration in addition to the critical task of printing and mailing revenue checks and statements to owners



## SOLUTION

### Enverus Owner Relations Management Services

- **Call Center Services**—Experienced land or accounting professionals are available 8 a.m. to 5 p.m. Central to handle owner calls and emails. These services can handle 100% of your calls or serve as overflow for your existing staff. Current operator customers report up to an 80% reduction in the volume of owner, vendor, and partner calls using our call center services
- **Print and Mail Services**—We print and mail the documents you need—from one-time communications like acquisition letters and ACH sign-up forms—to monthly and seasonal statements such as checks, JIBs, and 1099s. We manage all your mailing needs or just overflow. Operators appreciate the economical pricing model where you pay only for the services you use and avoid print and mail overhead costs



## RESULTS

- **Services Flexibility Provides Agility**—Montage Resources Corporation tailors their owner relations to manage changes in the market or meet seasonal needs, like 1099 season
- **Happier Owners**—With agents well-versed in oil & gas accounting practices answering owner phone calls, owners know they can reach a live person to help them resolve their issues
- **Proactive Planning**—Weekly call log reports show how many calls were answered, how many were resolved on the first call, and how many calls remain open. Knowing how many calls they're getting, especially around check time and 1099 time, helps them anticipate volume and take proactive measures to deal with an increase in calls
- **Increased Internal Efficiency**—With call center agents answering owner calls and emails, a self-service online portal, and outsourcing the printing and mailing of statements and checks, the internal team can focus on the important tasks of tending to company financials and overseeing the accounting system integration. They know their owners are in good hands

## CASE STUDY – ENVERUS

### CUSTOMER CHALLENGE

Mergers & Acquisitions (M&A) happen all the time in the oil & gas sector and are a central part of operators' asset allocation strategies today. With these changes come internal challenges including systems integration requirements between organizations and process updates that need to be figured out at a senior management level. There is also an immediate need to communicate to a complex network of mineral rights owners.

At a time when it's more important than ever for employees to focus on high-value operational activities, the spike in owner and supply chain questions often diverts crucial internal resources. When there is uncertainty and change, operators need to adjust quickly to minimize disruption and ensure strong owner and supply chain relations.

Montage Resources Corporation is a production company with 218,000 undeveloped acres currently focused on the Utica and Marcellus shales of southeast Ohio, West Virginia, and north central Pennsylvania. The company formed from a merger between Eclipse Resources Corporation and Blue Ridge Mountain Resources, Inc. Montage Resources Corporation needed to integrate the BOLO accounting system across the team while also managing the critical task of printing and mailing royalty checks.

Blue Ridge Mountain Resources, Inc. used the full Enverus Owner Relations Management Services Suite to handle its owner support prior to the merger. This includes an Owner Portal, Call Center Services, and Print and Mail Services.

**Owner Portal**—Offer owners, vendors, and partners a convenient, secure, and user-friendly web portal to access their statements and other documents. Stakeholders can see revenue check details, JIBs, and more—anywhere, anytime from any web-enabled device. Operators report that self-service by owners saves them up to 75% of time and expense they'd otherwise encounter from fielding owner or vendor questions.

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Prior to the acquisition, Enverus Print and Mail Services printed and mailed 12,400 revenue statements, 56,000 revenue detail pages, 4,800 JIBs, and 7,600 JIB detail pages annually for Blue Ridge Mountain Resources, Inc. Eclipse Resources Corporation sent 12,000 revenue statements, 35,000 revenue detail pages, and 10,000 AP payments annually. At the time, Eclipse Resources Corporation didn't have direct deposit available for owners, so all their checks had to be printed and mailed out. With the merger, the newly formed company's print and mail needs doubled.

## CASE STUDY – ENVERUS

### CUSTOMER SOLUTION

To help support the integration, the Revenue Manager, who had past experience with Owner Relations services, requested that they use the Print & Mail service to handle printing and mailing of all owner revenue checks.



**It really helped to have the call center team talking to our owners so we could focus on getting checks out the door. Also, the fact that our owners could speak to a live person went a long way to maintain happy owners, even if the call couldn't be resolved initially.”**

**-Callie F. Vail, Revenue Accounting Manager, Montage Resources Corporation**

There was also an increase in owner phone calls and emails post merger. Rather than the internal accounting team juggling the integration while fielding questions such as—Are there going to be changes to payments? Who do we call with issues now? Will my owner number be different?—the Owner Relations Call Center team was the first line of contact for owners.

### IMPLEMENTATION

At first, the team from Eclipse Resources Corporation was a little reluctant to outsource its owner relations support for three reasons.

- **Ability to answer questions:** Concern that the agents wouldn't be able to answer owner questions. In particular, the Land Department needed to make sure the agents could answer specific questions like—When do I get paid? Or How is my decimal interest calculated?
- **Fear of compliance risk:** Agents needed access to the company accounting systems, BOLO and Enertia, to answer questions
- **System knowledge:** Agents needed to know how to use the systems to retrieve the information to answer owner questions

### THE RESULTS

Once the call center agents began taking calls and answering emails, relief for the internal team was immediate. Keeping owners happy is crucial for any operator to maintain the rights to the leases. Having a live person who is knowledgeable, friendly, and professional answer owners' questions allows the internal team to focus on getting checks sent to owners on time.

“Our reps go the extra mile to stay ahead of the game in communicating with owners so there is no recourse,” says Callie.

Another benefit is the weekly call log report. Each week the company receives a log on how many calls the agents answered, how many were resolved on the first call, and how many calls remain open. Also, if an agent is unable to resolve an inquiry, the agents route emails to the right contact in the company so owners get their answers quickly.

It's helpful to know how many calls they're getting, especially around check time and 1099 time to anticipate volume. For example, the company knows, based on historic call volumes, that there is an increase in calls around April 15 due to owners filling out their taxes last minute and during minimum suspense release. The team can proactively try to reduce call volumes by posting information online.

## CASE STUDY – ENVERUS

The flexibility of the services is key to Montage Resources Corporation tailoring their owner relations to manage changes in the market or meet seasonal needs, like 1099 season. The Owner Relations team works with the company's accounting team, listening to their needs and ideas to figure out solutions that work. It's also beneficial to have one vendor as a go-to for all their services.

"Everyone is professional and helpful. Sometimes we may have what seems like crazy ideas, but with the Owner Relations team there is no concern about bringing up new ideas. We talk to the team and they figure out solutions to make our ideas work," says Callie.

### Next Steps

Prior to the merger, Blue Ridge Mountain Resources, Inc. already had an online owner portal for their owners to do self-service. The portal empowers owners to access their account information, including 1099 documents, JIB statements, and update their account profiles, 24 hours a day. They can even download information to Excel. The owners don't need to speak to anyone and can access this information on their own. Montage Resources Corporation looks to offer this option to all of its owners. This allows the internal accounting team to focus on the strategic work that drives success for the business.



**Having agents act as the first line of communication is huge for our team to focus on our work. Keeping positive relationships with our owners is extremely valuable and the Enverus Owner Relations team helps us create this."**

**-Callie F. Vail, Revenue Accounting Manager, Montage Resources Corporation**