

EP Energy E&P Company, L.P.
P. O. Box 4660
Houston, Texas 77210-4660

Owner Relations Number is (713) 997 – 1200

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Written Inquiries: **EP Energy E&P Company, L.P.**
Attn: Owner Relations
P. O. Box 4660
Houston, Texas 77210-4660

Owner's Name
 Check Address
 City/State/Zip Code

Interest will be reflected
 on Form 1099INT

Legend	
Product Codes (PC)	Other Codes
1 - Oil (bbl)	01 - Federal Non-Resident Alien Tax Withholding
2 - Gas (mcf)	06 - Interest Paid
3 - Condensate (bbl)	10 - Federal Backup Withholding
4 - Plant Products (gal)	17 - Excess Royalty
D - Drip Condensate (bbl)	19 - JIB Offset
	20 - State Withholding Tax
	21 - Ad Valorem Tax
Disposition Codes (DC)	Type Interest
03 - Sales	WI - Working Interest
05 - Lease Use	RI - Royalty Interest
07 - Other	OR - Overriding Royalty
	PP - Production Payment
	MI - Mineral Interest
	BL - Blanchard Royalty
	ER - Excess Royalty
	RO - Reversionary Override
	CR - Compensatory Royalty Unleased

1	3	5	7	9	11	13	15	17	19	21	23	25	
2	4	6	8	10	12	14	16	18	20	22	24	26	
Property Number	DOI Type	DOI	DC	Property Name	Avg MCF	DOI Decimal	Property Gross Volume	Property Gross Value (\$)	Property Severance Tax (\$)	Property Deducts (\$)	Other Code	Property Net Value (\$)	
Mo/Yr Sales Date	Type Int	ALL PC	ST	County Name	MMBTU Price	Disbursement Decimal	BTU	Owner Gross Value (\$)	Owner Severance Tax (\$)	Owner Deducts (\$)	Other Value (\$)	Owner Net Value (\$)	
10000000	REV	ALL	03	EI PASO WELL #1	5.75	0.04000000	20000.00	115000.00	8625.00	517.50		105857.50	
05/2007	RI	2	TX	HARRIS	5.50	0.03195200	1.08	3674.48	275.59	16.54		3382.36	
10000012	REV	ALL	03	EI PASO WELL #12	4.90	0.04000000	-15075.00	-73867.50	-5540.06	-332.40		-67995.03	
01/2007	RI	2	TX	HARRIS	4.70	0.03195200	1.01	-2360.21	-177.02	-10.62		-2172.58	
10000012	REV	ALL	03	EI PASO WELL #12	5.15	0.04000000	15075.00	77636.25	5822.72	349.36		71464.17	
01/2007	RI	2	TX	Harris	5.00	0.03195200	1.01	2480.63	186.05	11.16		2283.42	
10000012	REV	ALL	03	EI PASO WELL #12	8.36	0.04000000	12355.00	103287.80	7746.59	464.79		95076.42	
05/2007	RI	2	TX	Harris	8.16	0.03195200	1.12	3300.25	247.52	14.85		3037.88	
10000012	REV	OIL	03	EI PASO WELL #12	66.21	0.04000000	8.20	542.93	24.97			517.96	
05/2007	RI	1	TX	Harris		0.04000000		21.71	1.00			20.71	
10000012	REV	ALL	03	EI PASO WELL #12	0.96	0.04000000	15529.25	14908.95	1065.44	797.52		13045.99	
05/2007	RI	4	TX	Harris		0.03195200		476.37	34.04	25.48		416.84	
20000014	REV	ALL		EI PASO WELL #214	65.86	0.04000000	783.00	51568.38	3813.48			47754.90	
05/2007	RI	3	OK	ROGER MILLS		0.04000000		2062.74	152.54			1910.20	
00200000	REV	ALL	03	BACKUP WITHHOLDING	-	-	0.00	0.00	0.00	0.00	10		
07/2007	WI		ZZ	GENERAL UNKNOWN COUNTY	-	-	0.00	0.00	0.00	0.00	-1640.14	-1640.14	
OWNER NO				CHECK DATE	CHECK NUMBER								
199999-01				07/31/2007	0008999999								
EP Energy E&P Company, L.P. believes this payment has been calculated based on applicable government regulations. Any amounts paid which are later determined to be in excess of that allowed under lawful regulations are subject to recovery.								Owner Totals:	9655.96	719.72	57.41	-1640.14	7238.69
								YTD Totals:	15921.18	1115.52	72.81	-3217.99	11514.86
27				28				29				30	31

Explanations of Remittance Statement

- Property number:**
A number assigned by EP Energy to identify this property in our accounting and production systems.
- Mo/Yr Sales Date**
The month and year that a sales transaction occurred for this property
- DOI Type**
Indicates the type of distribution division of interest used by accounting
- Type Int**
The kind of interest owner is being paid on - primarily royalty, working, or override - see legend
- DOI**
Indicates the specific distribution division of interest used by accounting
- PC**
Product Code - numeric code used to identify the product of the sales (oil, gas, condensate, plant products) - see legend
- DC**
Disposition Code - identifies the nature of the transaction - see legend
- ST**
Identifies the state where the property is located
- Property Name**
The name of this property as stated on the Division Order
- County Name**
Identifies the county where the property is located
- Avg MCF**
Average price for the month's gross sales on this property for this product (per bbl., mcf, or gallons) (divide gross value by gross volume)
- MMBTU Price**
The contracted sales price for the product
- DOI Decimal**
Interest as it appears on the Division Order

Gross Amount =
 Box 2 and Box 18
 on 1099

Other Code =
 10 - Federal Backup
 Withholding (Box 4 on 1099)
 20 - State Withholding Tax
 (Box 16 on 1099)

Severance Tax and
 Property Deducts

- 14 Disbursement Decimal**
Decimal interest used to calculate your proportionate share of sales. May differ from DOI Decimal if EP Energy does not market 100% of sales volume or may be due to rounding
- 15 Property Gross Volume**
The total volume of products (mcf, bbl, gallons) involved in this transaction
- 16 BTU**
British Thermal Unit (measurement of the heat value of gas)
- 17 Property Gross Value(\$)**
Total value of applicable sales – (multiply the gross volume by the avg price)
- 18 Owner's Gross Value (\$)**
Owner's share of Property Gross Value – (property gross value multiplied by the disbursement decimal)
- 19 Property Severance Tax (\$)**
The gross state taxes associated with sales from the lease
- 20 Owner Severance Tax (\$)**
Owner's proportionate share of Property Severance Tax
- 21 Property Deducts (\$)**
Costs associated with but not limited to gathering, transporting, dehydrating, and processing oil and gas
- 22 Owner Deducts (\$)**
Owner's proportionate share of Property Deducts
- 23 Other Code**
Numeric code used for deducts or reimbursements specific to an owner – see legend
- 24 Other Value (\$)**
The value given to the deduct/reimbursement as stated above
- 25 Property Net Value (\$)**
Property Gross Value less taxes and deducts
- 26 Owner Net Value (\$)**
Amount actually received or deducted from owner (owner's gross values less owner's tax, less owner's severance tax, less owner deducts, less other value)
- 27 Owner NO**
Assigned number to identify the owner in EP Energy's accounting system
- 28 Check Date**
The month, date and year the revenue check was issued
- 29 Check Number**
The number assigned to the check issued
- 30 Owner Totals**
The sum of the owner fields for the check
- 31 YTD Totals**
The year to date totals for the owner fields