

Checkstub Data EXchange

Implementation Guidelines



Petroleum Industry Data Exchange
A Standards Committee of the American Petroleum Institute

American Petroleum Institute
1220 L Street Northwest
Washington, DC 20005



CDEX

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Statement of Purpose and Industry Use

Purpose

Benefits

History

Implementation and User Guide

Record Formats

- Exchange oil and gas check stub information in a standardized check detail format.
- Data is received in machine-readable format allowing the receiving company to automate its cash-posting functions.
- Allows timely receipt of data—often 7-10 days earlier than U.S. Mail.
- One sends transmission for data going to receivers and one receive transmission to pick up data from all sending companies.
- Reduces errors due to manual posting.
- Reduces the need for keypunching check detail.
- Eliminates the logistical problems of individual magnetic tapes.
- Unifies system with standard formats, definitions, and structure.
- CDEX was installed as an industry standard in 1982.
- Exhibit A
- Exhibit B

Checkstub Data EXchange (CDEX)

The following is an outline of steps that a company might follow to obtain maximum benefits as a receiver of CDEX data.

1. Initiate a study to determine how your company would like to use CDEX data after it is received in-house.
2. Initiate a project that would allow for processing the CDEX data through the appropriate accounting area in your company.
3. Identify the companies that you would like to receive from.
 - a. Prioritize a list of potential sending companies.
 - b. Compile a list of owner numbers under which each company is paying your company.
4. Draft a letter to the accounting contact of the company from which you want to receive. It should contain the following:
 - a. Your validated two-character company ID.
 - b. A list of the owner numbers for which you would like to receive CDEX information.
 - c. The names and phone numbers of your company's accounting and system contacts.
 - d. A request for a letter from the transmitting company outlining the product and transaction codes that they will be using.
 - e. A firm date when you will be ready to receive CDEX transmissions or a date when you will contact the transmitter to give them further start-up information.

Transmitting to Other Companies

Following is an outline of steps that a company might follow to become a transmitter of CDEX data.

- In-house check stub detail will have to be converted to the standard CDEX record types 1, 2, 3 or 4, 5, 6.
Be very careful to follow the exact formats. Deviation from the standards will result to rejected transmissions.
- Your company's product identifiers will need to be converted to the standardized CDEX product codes.
If your company does not currently use product codes, you should either establish them or postpone becoming a transmitter until you can accurately denote product codes for your CDEX data records.
- Document the various types of transactions in your current system. They will have to be cross-referenced and converted to the standardized CDEX transaction codes.
- When a company requests that your company begin transmitting CDEX data, you should draft a letter to the accounting contact of that company outlining the product and transaction codes that will be used in your transmissions. This will help the receiving company prepare for the receipt of your CDEX data.

Exhibit A

continued

CDEX Operating Conventions

Following is a list of operating conventions within CDEX.

- Transmissions from the senders should be completed before 12:00 AM (Central Time) of the morning on which the data is due to the receivers.
- Any NEW product code transactions that have not been used by a sender in previous transmissions need to be communicated to ALL receivers a minimum of 30 days prior to using the new codes in a production transmission. This will allow time for the receivers to modify their in-house systems to process the new code.

- Although there is a provision for using product code 90 (undefined product), its use should be discouraged. Many companies account for revenue by product code (Oil Accounting, Gas Accounting).

Use of product code 90 makes it difficult for receivers' revenue accountants to know how or where to book revenue or expenses.

- At no time shall a sender of CDEX data retransmit check stub detail to any receiver without the receivers' prior knowledge and permission. To do so will cause the receiver to incur additional charges for the same transmission.

It is implied that entries will not be deleted from the duplicate transmission file unless absolutely necessary and specifically requested by the sender.

- All validated senders and receivers of CDEX are strongly encouraged to comply with all standards and guidelines regarding data formats, sign conventions, usage of product codes, and transaction codes.

Failure to do so will result in system degradation.

Checkstub Data EXchange

Exhibit B

Record Formats and Layouts

Record Types 1, 2, & 3

Record Types 4, 5, & 6

Record Type 7

Check Detail Line Item Record

Type 1

Field	Length	Field Name	Description
1	1	RECORD TYPE	A numeric code used to identify and separate different CDEX formats. (1 for TYPE 1 records)
2	2	COMPANY CODE	An alpha-numeric field used to identify the sending/receiving company. Sending companies will input the receiver's code, and receivers will get the sender's code.
3	12	CHECK NUMBER	An alpha-numeric field used to identify the check number. Its primary use is to allow the by-check correlation of the hard-copy check stubs, checks, and CDEX electronic data. When the checks are received, the check number and actual check amount can be compared with the CDEX transmitted data. Obvious reconciliation requirements can easily be identified. In the case where the actual check number is not available in the transmitting company's system, a pseudo check number may be assigned and printed on the check stub to allow for easier reconciliation. If the transmitting company prints checks by owner number, then the owner number could be used in this field. The check number, pseudo or actual, must be unique.
4	14	UNIT/PROPERTY LEASE CODE	An alpha-numeric field which identifies the unit, property, or lease number associated with the payment detail on the check stub.
5	4	FROM PRODUCTION DATE	Year and month in the form MMY. When used for a single production month, the month and year of production are identified. If at all possible, the production and payment data should be reported for single production months. This should be a standard for both current and out-of-period bookings. When the individual month's data cannot be identified and the data spans several months, this field identifies the first month of production.
6	4	TO PRODUCTION DATE	Year and month in the form MMY. When used for a single production month, this field will be the same as FROM PRODUCTION DATE. When used with out-of-period data spanning several months, this field identifies the last month of production.
7	2	PRODUCT CODE	A numeric code which identifies the product. The available product codes are identified in Section 6.2. The product codes are used to associate all revenues and expenses by product on a lease, unit, or property. This is done by using the same product code on consecutive Type 1 records.