

Avatar and RAPID Exceed Expectations at Lynx Operating Co., Inc.

Lynx Operating Co., Inc. out of Dallas conducts oil and gas exploration in Texas, Oklahoma and New Mexico, operating an average of 325 wells at any given time. That number is quite high for a company of 18 employees but comes as no surprise as Lynx adheres to a "never give up" philosophy and is committed to leveraging technology to keep costs down and efficiencies up.

The Need for an Accounting Software Change

It was in 2001 that Lynx Operating Co., Inc. Controller, Kathy Burns, began looking for an accounting software solution that would offer greater flexibility and more control than provided by the data processing service used at the time. Accounting, land and production all ran on separate software programs – nothing was integrated. As a result, gathering complete information on a particular entity or well required going into separate systems or accessing physical files.

Productivity became a significant issue during crunch times when up to 300 invoices had to be keyed in one day. The system provided by Lynx's outsourcer allowed only one person at a time to work on a file and make the needed entries.

Limitations grew in that many reports Lynx wished to generate were simply unavailable. Those that were could not be printed on site. Data had to be keyed into the system and transmitted via modem to the service bureau, where reports were printed and sent to Lynx the following day. Lynx was then charged for each report printed, as well as the courier, in addition to the high monthly fee it already paid for use of the data processing service.

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– Kathy Burns
Controller, Lynx Operating Co., Inc.

RAPID By Avatar Provides the Ultimate Solution

When Burns determined to upgrade Lynx's accounting software system, all it took were some inquiries to fellow oil and gas companies to put Avatar on a short list of vendors being considered. It was

Avatar's presentation that convinced Burns she had found the right solution provider. "Avatar didn't try to oversell us," she says. "They were very attentive to our specific needs and explained how RAPID (Remote Access Private Integrated Datalink) could meet those needs." The system's longevity and Avatar's focus on improvement through continued upgrades solidified the decision to convert to RAPID.

Avatar's RAPID product is hosted by an ASP (Application Service Provider), allowing Lynx users to access their system data via the Internet. The data resides on Avatar's AS/400, eliminating the need for Lynx to purchase one itself.

Company Profile

Name:

Lynx Operating Co., Inc.

Address:

2121 San Jacinto
Suite 860
Dallas, TX 75201

Telephone:

(214) 969-5555

Website: www.lynx.com

Function:

Oil and Gas Production

Locations: 2

Controller:

Kathy Burns

Employees: 18

Accounting Software:

Avatar RAPID

Invoices Keyed:

300-800 per month

Accounts Payable Checks

Generated:

300-800 per month

Revenue Checks Generated:

1000-1500 per month

AVATAR
SYSTEMS

Oil and Gas Software Solutions
Providing World-Class Customer Support

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Burns is pleased to report that RAPID integrates accounting, land and production, while streamlining the daily functions performed in each department. Lynx's accounting department has taken advantage of the RAPID product since January 2002, and today requires only three employees to handle all the accounts payable, accounts receivable, revenue, general ledger and financial functions for Lynx Operating Co., Inc. and its subsidiaries.

Cost-Saving, Efficient Features

In the meantime, says Burns, "Costs are down 30%. Next year, I expect it to be down 50-60%." She attributes that to newfound control made available by the product's flexible features. Lynx has been most impressed with the report writer function. Standard reports are conveniently pre-programmed into RAPID, and when Burns needs something special like a comparative on specific data, she merely fills in the blanks to reprogram the software according to her requirements. For more specialized reports, Avatar steps in to perform the necessary customization.

Avatar also customized statements for Lynx, condensing the number of pages required to list the information on wells. As a result, the number of pages printed each month by the accounting department has been cut in half – from 4000 to 2000 – thus saving time and paper costs.

The AFE (Authority for Expenditure) function is yet another valuable tool. This function enables a user to key in projected spending on a well and compare those figures to actual costs when invoices come in. This feature will be used extensively in the coming months as drilling activity at Lynx increases.

Superior Support

RAPID is easy enough to use that Lynx executives can be designated as users to look up information they may need. This lightens the load for the accounting personnel, who now answer fewer inquiries. Those in accounting using the system

extensively were provided individual, on-site training by an Avatar expert. "The Avatar representative spent as much time as necessary to train each person on RAPID," notes Burns. "However, given the user-friendly nature of the product, along with the background and Windows knowledge of our employees, it didn't take very long."

From installation to the first and second monthly billings, Avatar staff were present at Lynx to provide hands-on support. And when issues arise, Burns merely picks up the phone and calls. "Avatar is wonderful to deal with. They have a great attitude and they know oil and gas accounting inside and out," she says. In fact, according to Burns, Avatar's computer guru is known at Lynx as "the magician".

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– Kathy Burns

The RAPID solution may not be magic, but Burns is more than pleased with its results. "There isn't anything in this office for which I don't use RAPID," she says. "Avatar meets my expectations 110%."

