

**July 08, 2009**

**INFORMATION BULLETIN 2009-04**

**Subject: Drilling Royalty Credit – Working Interest Ownership production information**

On March 3, 2009, the Government of Alberta announced a drilling royalty credit for new conventional oil and natural gas wells. This is a two year program that will provide a credit of up to \$200/metre to eligible companies on a sliding scale based on their production levels from 2008. This credit will be paid to eligible companies on the basis of their company-wide Crown production of natural gas, oil and non-project oil sands.

Currently, only the facility operator for oil, non-project oil sands and field condensate is identified as a royalty payer in the records of the Department. To ensure that the interests of all the working interest owners (WIO) are taken into account, the Department will be establishing credits for individual WIO. Each facility operator will be required to furnish to the Department the names and business associate (BA) ID of WIO and the production attributable to each WIO.

To initiate the collection of the required information, the Department will issue a ‘Drilling Royalty Credit (DRC) – Working Interest Ownership Determination’ report to the 2008 facility operators. The report will list all facilities associated with that operator and the corresponding production volumes. The report will be available on the Petroleum Registry of Alberta on July 15, 2009. This report includes all oil, non-project oil sands and field condensate production for months commencing January 1, 2008 and ending December 31, 2008, including any adjustments made up to the royalty cycle processed in March 2009. The operator must submit to the Department, in the format below, the total Crown production for each WIO, aggregated for all facilities. The sum of all the WIO volumes must equal the Crown production volumes indicated on the above report. This information must be submitted by letter to the Department no later than September 15, 2009.

Business Associate ID (BA)	Business Associate Name	WIO Crown Volumes
Grand Total		XXXXXXXX

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