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OIL SANDS INFORMATION BULLETIN 2012-17

Subject: The Alberta Oil Sands Royalty Principles and Procedures

The Alberta Oil Sands Royalty Principles and Procedures (the Guidelines) describe the principles and procedures involved in:

- Oil Sands Project approval and amendment applications
- Oil Sands Project reporting requirements
- Oil Sands Project and non-Project royalty calculations and payments

The Guidelines are interpretations of the following relevant Legislation

- the *Mines and Minerals Act, RSA 2000, c. M-17* (the Act),
- the *Oil Sands Royalty Regulation, 1997* (AR 185/97) (OSRR'97),
- the *Oil Sands Royalty Regulation, 2009* (AR 223/2008) (OSRR'09),
- the *Oil Sands Allowed Costs (Ministerial) Regulation* (AR 231/2008) (OSAC) and
- the *Bitumen Valuation Methodology (Ministerial) Regulation* (AR 232/2008) (BVMR).

The Act, the Regulations and the Guidelines themselves are subject to regular review by the Department. They are amended as required, in response to changing circumstances and business needs.

These guidelines reflect the Department's policies and procedures as of January 1, 2011, based on the most recent amendments to the Regulations, unless otherwise indicated. Notification will be provided when the Guidelines are revised again.

The *Alberta Oil Sands Royalty Guidelines* are produced for the convenience of readers. The guidelines provide a general understanding of the oil sands royalty legislation and the operating procedures used when royalty-related legislation is applied.

To the extent the Guidelines conflict with any Department's Information Letters or Information Bulletins published prior to January 1, 2011 on any subject matter contained in the guidelines, the guidelines will prevail.

Should the Guidelines conflict with any current legislation (Acts or Regulations) the legislation prevails.

Questions regarding this Information Bulletin may be directed to:

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