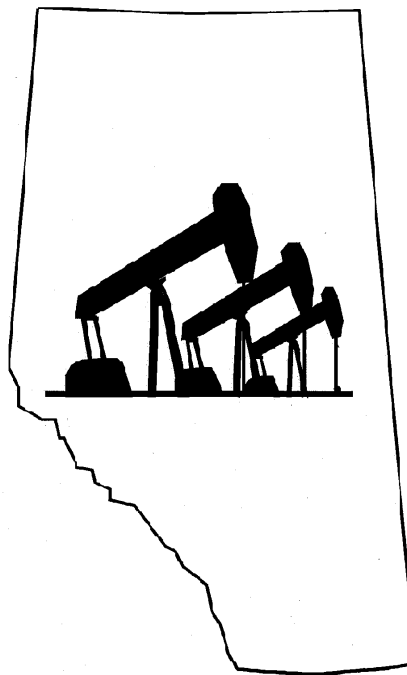


2004 SEPTEMBER 15  
12 noon, CALGARY  
PUBLIC OFFERING OF CROWN  
OIL SANDS  
RIGHTS



PUBLIC OFFERING CONTROL COUNTS FOR 2004.09.15

From	To	Total	Area
LEASES: L0672	L0675	4	4,096.0000 ha.
PERMITS: P0000	P0000	0	0.0000 ha.
		-----	
		4	4,096.0000 ha.

**PUBLIC OFFERING OF CROWN OIL SANDS RIGHTS**

(AVAILABLE ON INTERNET AT [HTTP://WWW.ENERGY.GOV.AB.CA:](http://www.energy.gov.ab.ca))

**DEADLINE**

After 12:00 noon on 2004 September 15, offers to purchase oil sands leases and/or permits contained in this public offering will not be accepted.

**AMOUNT OF PAYMENT (Canadian Funds Only)**

1. The total dollar offer should be stated in your bid letter. A breakdown of the Bonus, Fee and Rent is not required.
2. The annual rental is \$3.50 per hectare or \$50.00 whichever is the greater. The issuance fee is \$625.00 per parcel.
3. The minimum acceptance offer is \$2.50 per hectare (leases) and \$1.25 per hectare (permits).
4. The department reserves the right to reject any bid.

**FORM OF PAYMENT**

1. ELECTRONIC FUNDS TRANSFER (EFT).
2. Payment by cheque will be accepted if it meets the criteria for exception mentioned in Information Letter 99-3.
3. Companies and individuals that do not have a GST registration number are liable for payment of the Goods and Services Tax on various charges. All registrants must ensure that their GST number is provided in writing to Financial Services Branch @ Fax No. (780) 422-4281.

**HOW TO SUBMIT BIDS**

1. The types of acceptable bids are BID TYPE I AND BID TYPE II. The type of bid and its format are identified in attachments to Information Letter 99-12. Bids may be rejected if they do not comply with these standards.
2. One envelope may contain more than one bid as long as they are for the same agreement type.
3. Bid(s) should be enclosed in a sealed envelope and clearly marked as follows:  
"2004 September 15, --- OIL SANDS LEASE BIDS" for Leases.
4. Bids should be deposited in the box marked "OIL SANDS BIDS", or handed or mailed to any person acting for the manager at either the Calgary address: - 3rd Floor, Monenco Place, 801-6 Avenue SW, T2P 3W2 or the Edmonton address - 7th Floor, Petroleum Plaza North Tower, 9945-108 Street, T5K 2G6.

**BIDS ARE ACCEPTED UNTIL 12:00 NOON ON THE PUBLIC OFFERING DATE. NO EXCEPTIONS.**

**POINTS TO REMEMBER**

1. It can take up to midnight on the day following the sale to see your funds debited from your bank account for an accepted offer.
2. Requestors of parcel(s) posted in a public offering are expected to bid on the posting(s). If the parcel(s) is not sold, the requestor will be charged a penalty of \$625.00 plus GST for each unsold parcel.
3. Effective January 01, 2000, all Oil Sands Agreements acquired include Solution Gas. Please refer to information letter 99-38 for the definition of Solution Gas and any other relevant information.

**ATTACHMENTS TO THIS PUBLIC OFFERING WHEN APPLICABLE**

APPENDIX 1 - Contains applicable Zone Designations (ZD's).  
APPENDIX 2 - Contains applicable Deeper Rights Reversion Zone Designations (DRRZD's).  
APPENDIX 3 - Contains applicable addenda and contracts also terms and conditions for acquisition of parcel(s) within Metis Settlements (See IL 92-19).

**RESULTS OF THIS PUBLIC OFFERING**

1. Accepted offers will be published on 2004 September 16 at 9:00 a.m. at the two addresses shown under the section above entitled "HOW TO SUBMIT BIDS", and on the Internet.
2. All agreements are issued in accordance with the Mines & Minerals Act and its regulations.

2004 July 21  
EDMONTON, Alberta

Steve Tkalcic - Director Operations  
Oil Sands Development

## OIL SANDS LEASES

LEASE SCHEDULE

PAGE 1

2004, SEPTEMBER 15

LEASE	HECTARES	LAND DESCRIPTION	
-----	-----	-----	
--- PEACE RIVER OS AREA ---			
L0672	1536	5-18-078: 9-11;14-16 OIL SANDS BELOW THE TOP OF THE PEACE RIVER FM TO THE BASE OF THE BLUESKY-BULLHEAD	(DRRZD 40) (DRRZD 21)
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L0673	1024	5-19-078: 26;27;34;35 OIL SANDS BELOW THE TOP OF THE PEACE RIVER FM TO THE BASE OF THE BLUESKY-BULLHEAD	(PNA016802) (DRRZD 40) (DRRZD 21)
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L0674	512	5-18-079: 3;10 OIL SANDS BELOW THE TOP OF THE PEACE RIVER FM TO THE BASE OF THE BLUESKY-BULLHEAD	(DRRZD 40) (DRRZD 21)
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L0675	1024	5-17-080: 28;29;32;33 OIL SANDS BELOW THE TOP OF THE PEACE RIVER FM TO THE BASE OF THE PEKISKO FM	(DRRZD 40) (DRRZD 174)
-----			
4	4,096.00	HA TOTALS	<b>END</b>



DEEPER RIGHTS REVERSION ZONE DESIGNATIONS

APPLICABLE TO THE 2004, SEPTEMBER 15 PUBLIC OFFERING NOTICE

DRRZD: 21                      ZONE: 3052 BLUESKY-BULLHEAD  
  
INTERVAL: 2,754.00 - 3,043.00 FEET  
KEY WELL: 00/10-32-081-01W6/0  
LOG TYPE: DUAL INDUCTION SPHERICALLY FOCUSED

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DRRZD: 40                      ZONE: 2280 PEACE RIVER FM  
  
INTERVAL: 3,760.00 - 4,008.00 FEET  
KEY WELL: 00/07-09-076-08W6/0  
LOG TYPE: BOREHOLE COMPENSATED SONIC

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DRRZD: 174                     ZONE: 6420 PEKISKO FM  
  
INTERVAL: 6,468.00 - 6,654.00 FEET  
KEY WELL: 00/10-27-067-22W5/0  
LOG TYPE: ELECTRICAL

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END



ADDENDA AND CONTACTS APPLICABLE TO THE 2004, SEPTEMBER 15 PUBLIC OFFERING NOTICE

<b>PNA016802</b>	LAND DESCRIPTION
LEASE L0673	5-19-078: 27L4

IS/ARE RESERVED FOR A PROPOSED NATURAL AREA, UNDER THE PUBLIC LANDS ACT.

SURFACE ACCESS IS SUBJECT TO SPECIFIC RESTRICTIONS

FOR FURTHER INFORMATION, PLEASE CONTACT:

BILL RICHARDS  
RESOURCE TECHNOLOGIST  
COMMUNITY DEVELOPMENT  
PARKS AND PROTECTED AREAS  
SYSTEMS PLANNING BRANCH  
9820 106 ST NW FLOOR 5  
EDMONTON AB T5K 2J6 (780) 427-9445

-----  
**END**

