

**GAS ROYALTY CALCULATION  
INFORMATION BULLETIN  
September 2005**

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<b>PLEASE ENSURE YOUR PRODUCTION ACCOUNTANTS RECEIVE A COPY OF THIS DOCUMENT.</b>
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## **A. PRICING RATES AND TRANSPORTATION INFORMATION**

For Pricing, Royalty Rates and Transportation Information for July 2005, refer to [Attachments 1, 1A, 2, 2A](#), and [3](#).

## **B. NOTICES**

### **Statutory Requirement and Recalculation of 2001 Royalty**

Section 38 of the Mines and Minerals Act provides for recalculation of royalty that can be initiated in either two ways:

- a) On the Department's initiative in conjunction with an audit or examination; or
- b) At the request of a royalty payer.

### **Audits in Progress**

Non-operator partners are advised that certain 2001 capital cost and custom processing adjustment factor (CPAF) and reporting discrepancy audits are currently in progress. It is anticipated that these audits will be completed before December 31, 2005. However, should circumstances require that these audits be completed in 2006, a listing of the affected EUB facilities will be included in the December 2005 Information Bulletin.

Royalty clients are also reminded that amendments received by the Department in the fourth year following the production year may be subject to audit. If the amendments are received late in the fourth year and insufficient time is available for the Department to commence a review of the amendments prior to the end of the year, the Department reserves the right to commence the audit at the beginning of the fifth year.

If you have any questions, please contact Chris Lawton of the Compliance & Assurance group at (403) 297-6746.

### **Industry Recalculation of 2001 Royalty**

Industry initiated royalty recalculation requests for the 2001 production year must be submitted in writing to the attention of Kamal Rajendra of the Gas Royalty Client Services before December 31, 2005.

### **Rapid Trans Deposit Slips**

Further to Appendix K of the Alberta Natural Gas Royalty Principles and Procedures, royalty payers are required to fax a copy of their rapid trans deposit slip to the Financial Services Division Cashiers at fax number (780) 422-4281 for the following reasons:

- Your Alberta Energy Rapid Trans Deposit Slip is our notification of your payment remittance and is reconciled to the bank information we receive from the Canadian Imperial Bank of Commerce.
- The Canadian Imperial Bank of Commerce does not provide a copy of the Alberta Energy Rapid Trans Deposit Slip to our offices and have implemented a \$5.00 charge per deposit slip if they are requested to provide this information on a client's behalf.
- We require the information from your Alberta Energy Rapid Trans Deposit Slip to ensure your payment is allocated promptly to your gas royalty account.

Royalty clients are reminded that payments may be made by the pre-authorized automatic debit method. Additional information on automatic debit payments are included in the July 2005 Gas Royalty Calculation Information Bulletin.

For further information you may contact Barb Buckley of Gas Royalty Accounts at (780) 644-4899 or Donna McLachlan of Financial Services at (780) 422-2872.

## **C. MONTHLY INFORMATION**

### **July 2005 Royalty Due October 31**

- **Royalty clients are to remit the total amount payable shown on the October 2005 Statement of Account by October 31, 2005.** If the amount payable includes accrued current period interest, the interest has only been accrued to the statement issue date. Clients must also include the additional interest that has accrued from the statement issue date to the date of payment, using the per diem amount provided.
- **The October 2005 Statement of Account shows your amount payable as of the Statement issue date. It includes any outstanding balances from your previous statement, your July 2005 Invoice amount and any applicable current period interest charges. It also identifies refunds resulting from overpayments.**
- Current period interest will not be charged on current invoice charges for the production month of July 2005 if it is paid in full by October 31, 2005.
- Current period interest will accrue on any overdue charges commencing the first day after the due-date until it is paid in full.

**Note: If the due date falls on a non-business day, the next business day will apply as the due date.**

- Cheques are payable to the Minister of Finance, Province of Alberta.

**August 2005 VA4 Due October 15**

The VA4 forms for the production month of August 2005 are due in the Department offices by October 15, 2005.

**Note: If the due date (15<sup>th</sup>) falls on a non-business day, the next business day will apply as the due date for VA4 forms.**

**August 2005 Production Reporting**

August 2005 production reporting is submitted through the Registry. The deadline for submission of SAF, OAF, and Volumetrics is posted in the [Petroleum Registry of Alberta website](#) “Calendar” under Bulletin Board.

Changes to this calendar will be posted on the Registry web site home page in “Broadcast Messages.”

**Interest Rate September 2005**

The Department of Energy’s interest rate for September 2005 is 5.25%.

**June Provisional Assessment Charge**

The summary of Provisional Assessment Charges for all production periods in the June 2005 billing period was:

First Time Provisional Assessment	Reversals of Provisional Assessments	Net Provisional Assessment
\$5,233,394.36	(\$2,309,341.57)	\$2,924,052.79

**June Charges**

The revised penalty table below shows at the form level, the total penalty charges and reversals, for the June 2005 billing period:

FORM	Penalty Charges	Penalty Reversals	Net Penalty Charges for 2005/06
AC2	\$15,500	(\$1,300)	\$14,200
AC4	\$800	(\$200)	\$600
AC5	\$12,000	(\$100)	\$11,900
GR2	\$0	\$0	\$0
NGL1	\$0	\$0	\$0
VA2	\$4,000	(\$4,000)	\$0
VA3	\$0	\$0	\$0
VA4	\$0	\$0	\$0
<b>Total</b>	<b>\$32,300</b>	<b>(\$5,600)</b>	<b>\$26,700</b>

### **Alberta Royalty Tax Credit Program Quarterly Rate**

For the third quarter of 2005, commencing July 1, 2005, the royalty tax credit rate will be .2500. This rate is based on a royalty tax credit reference price of \$479.85 per cubic metre. The Alberta Royalty Tax Credit rates for the past year were:

Third Quarter, 2005	.2500
Second Quarter, 2005	.2500
First Quarter, 2005	.2500
Fourth Quarter, 2004	.2500

If you have any questions, please contact Kent Nelson of Tax Services at (780) 644-4066.

### **Gas Royalty Calculation Support**

Gas Royalty Calculation staff will be available monthly to meet with clients who need assistance with royalty reporting. Royalty clients requiring assistance are encouraged to call Kamal Rajendra, Acting Manager, Client Services (780-422-7165) or e-mail [Kamal.Rajendra@gov.ab.ca](mailto:Kamal.Rajendra@gov.ab.ca) two business days before the meeting date to arrange an appointment. The October through December schedule is as follows:

#### **Where:**

AMEC Place

Room 437, 801-6 Avenue SW

Calgary, Alberta

Phone: 403-297-8954

(Industry must go to the 3rd Floor Reception upon arrival to sign-in and be given a visitor tag)

#### **When – 10 am to 3 pm**

October 27, 2005

November 24, 2005

December 14, 2005

## **D. INFRASTRUCTURE DATA CHANGES**

### **Client ID Listing**

The BA Identifiers Report is a directory of Business Associate (BA) names, codes, status (e.g. struck, active, amalgamated, etc.), status effective dates, and effective August 2004, includes Working Interest Owner (WIO) role start/end dates.

This report is also published daily on the Petroleum Registry website at:

<http://www.petroleumregistry.gov.ab.ca>

The Department reminds Business Associates to review their WIO role to ensure the start and end dates are reflected correctly. If the BA does not have an active WIO role, the operators cannot allocate volumes to the BA for the relevant production periods through the SAF/OAF allocations.

- If a BA has a WIO start date with no end date, then that BA can receive allocations from the stated date forward.
- If a BA has a WIO start and end date, then they can only receive allocations from the stated start date until the end date. Any allocations after the end date will be rejected.
- If a BA does not have a WIO start date, then that BA cannot receive allocations at all.

Please contact Client Registry at (780) 422-1395 if you have any questions regarding the information supplied on this listing.

### **Projects/Blocks**

If information is required on Projects or Blocks, please contact Isabelle Warwa at (780) 427-8952.

### **Struck Clients**

Clients must ensure that all royalty documents are completed using only valid client names and IDs. It is critical that royalty clients use current legal client names and their appropriate IDs on all documents to ensure accurate royalty calculation and to prevent provisional assessment and penalties. Rejects will occur when invalid IDs are used.

If you require information regarding client names or IDs, please contact Client Registry at (780) 422-1395.

The following is a list of struck, dissolved, cancelled and revived clients:

<b>Company Name</b>	<b>Client ID</b>	<b>Struck Date</b>
Sirius Energy Corporation Ltd.	0JG5	August 2, 2005
Crown Cork & Seal Canada Inc.	527C	August 2, 2005
236655 Alberta Ltd.	0T7F	September 2, 2005
Ice River Oil & Gas Ltd.	0BT8	September 2, 2005
Green Valley Consulting Ltd.	0XG9	September 2, 2005
Visible Data Inc.	0XX9	September 2, 2005
731386 Alberta Ltd.	0D5P	September 2, 2005
Everest Energy Corporation	0F8C	September 2, 2005
Taber Wind Energy Ltd.	A0E6	September 2, 2005
<b>Company Name</b>	<b>Client ID</b>	<b>Dissolved Date</b>
Lilydale Co-operative Limited	295B	June 6, 2005
Makah Energy Corporation	0A7T	August 5, 2005
Lockhorn Resources Inc.	A11J	August 8, 2005
Universal Exports Ltd.	A0M2	August 16, 2005
Loram Corporation	0J1B	August 31, 2005
BMP Energy Systems Ltd.	0KT1	August 31, 2005
<b>Company Name</b>	<b>Client ID</b>	<b>Cancelled Date</b>
CEJA Corporation	0L12	August 2, 2005
Marathon International Petroleum Canada Ltd.	0J3J	August 2, 2005
Idaho Power Company	249C	September 2, 2005
<b>Company Name</b>	<b>Client ID</b>	<b>Revived Date</b>
Boniwell Energy Corp.	0E3A	September 13, 2005
I.T.A. Enterprises Inc.	0CX8	September 14, 2005

### *Nova Tolls - Multiple Gas Reference Prices*

Royalty information related to the implementation of the Factor Model negotiated with industry for determining Multiple Gas Valuation Prices is provided on the Natural Gas website's Royalty Related Information page under [Facility Royalty Trigger Factors and Meter Station Ties](#).

## **E. REMINDERS**

### *Annual Allowable Costs in the Registry – Facility Cost Centre (AC1) Submissions*

The Facility Cost Center Set-Up/Change (AC1) submission/retrieval process will be implemented into the Petroleum Registry of Alberta (the Registry) on October 11, 2005. This implementation is the first phase of the Annual Allowable Cost filing process that is being phased into the Registry. This Registry-based process will allow for clients to electronically submit/retrieve the associated data currently found on the Annual Cost forms. The remaining Allowable Cost data (AC2, AC3, AC4, AC5) will be implemented in February 2006.

With implementation, operators *must* utilize the Registry to submit/retrieve Facility Cost Centre (AC1) data as the current process of paper submissions will be discontinued. **As of September 15, 2005, the Department will no longer accept paper versions of AC1 documents.** This is to enable the Department to process those documents received prior to the cut-off date and to prepare for transition to the Registry.

As part of the transition process, conversion of AC1 information from the MRIS system to the Registry will be completed. This information will be available for query/edit purposes on the Registry during the second week of October 2005. Additional information regarding this process will be communicated through subsequent Information Bulletins and the Petroleum Registry of Alberta.

The Registry training modules, which include the step-by-step processes for Allowable Cost Submission and retrieval processes, will be available in September 2005. Questions regarding this can be directed to the Petroleum Registry Service Desk at (403) 297-6111 (in Calgary) or toll free at 1-800-992-1144.

Should you have any questions or concerns regarding AC1 filings or the September cut off, please contact Tracy Wadson at (780) 422-9240.

### *Facility and Business Associate Requirements for Filing Allowable Costs*

As an update to the "Summary of Facility/Business Associate Identifier Changes for DOE-Related Submissions", Appendix B of the 02-06A information bulletin, filing requirements for the AC1, AC2, AC3, AC4 and/or AC5 documents have changed.

These filing requirement changes will be implemented with the AC1 filing going live to the Registry in October 2005. EUB Facility IDs and Business Associate IDs must comply with Registry filing standards. Royalty clients must be aware that EUB Facility IDs must be reported

as 7 character IDs (example: 0001004 not 1004). Any use of a 4 character ID will be rejected. Additionally, Business Associate IDs must be reported as 4 character IDs. Any use of the non-converted 7 character non-operator IDs will be rejected.

Should you have any questions or concerns about the above filing requirements, please call Penny White at (780) 422-9261.

### **Change to Operating Costs Subject to Recapture**

Royalty clients are currently receiving the “Operating Costs Deducted at Facilities with No Capital Ownership or Custom Processing Fees” reports for the 2003 and 2004 production years each month with the Crown Royalty Invoice. The process to charge the operating costs subject to recapture to a royalty client occurred when the production year was operationally closed out. With the elimination of the close out process as published in the January 2005 Supplement Information Bulletin (05-01A) the Department reviewed the timing for charging operating costs subject to recapture and the following is implemented:

<b>Production Year</b>	<b>Charged in Billing Period Invoice/Calendar Month</b>
2003	August 2005 Invoice - October 2005
2004	August 2005 Invoice - October 2005

Effective with the 2003 production year and subsequent years, the operating costs subject to recapture will be charged in the August billing period invoice issued in October.

Royalty clients are reminded that documents to resolve the operating costs subject to recapture may be submitted and will be accepted without a Year End Close Out (YECO) form.

Please note that this change does not affect the amendment process for statute barred production periods.

For more information, please contact your applicable Gas Royalty Client Services portfolio representative as identified in [Section F](#) of this bulletin.

## **F. POINTS OF CONTACT**

### **Petroleum Registry of Alberta**

The Petroleum Registry of Alberta Service Desk is the focal point for communications with the Registry regarding preparations for, access to, or utilization of the Registry. To contact the Petroleum Registry of Alberta Service Desk call: 1-800-992-1144.

### **Department of Energy Hotline & Internet**

Prices, Royalty Rates, and Transportation Information are available on the Department of Energy Internet address: <http://www.energy.gov.ab.ca>, from “Our Business”, navigate to “Natural Gas”, “About Natural Gas”, “Prices”, “Alberta Natural Gas Reference Price (ARP)”, or the hotline at (403) 297-5430. NOTE: Due to declining usage, the hotline will be discontinued effective January 1, 2006.

In addition, both the Gas Royalty Calculation Information Bulletin and Information Letter are also available on the Department of Energy Internet address.

**Note: To access the sulphur price call the Department of Energy hotline at (403) 297-5430. Wait to hear the recorded list of options, then press #1 on your touch-tone phone for Natural Gas Information. Again, wait for the recorded list of options, then press #3 for Gas Royalty Rates.**

**Gas Royalty Client Services**

The Gas Royalty Client Services is structured as a Business Associate client portfolio system, which assigns a given Business Associate to one of four Client Service teams. Listed below is the portfolio breakdown along with Client Service Team Leads and phone numbers. The portfolios are divided by company name and not by BA ID.

Example: If your company name is the “Gas Company” you would call C – G team at (780) 644-1202.

<b>Business Associate</b>	<b>Phone Number and E-mail Address</b>	<b>Team Lead</b>
<b>Numbered companies, A, B &amp; L</b>	(780) 644-1201 <a href="mailto:GRCST1@gov.ab.ca">GRCST1@gov.ab.ca</a>	Mary Spearing (Carrie)
<b>C – G</b>	(780) 644-1202 <a href="mailto:GRCST2@gov.ab.ca">GRCST2@gov.ab.ca</a>	Todd Atwood
<b>H – P (excluding L)</b>	(780) 644-1203 <a href="mailto:GRCST3@gov.ab.ca">GRCST3@gov.ab.ca</a>	Chris Nixon
<b>Q – Z</b>	(780) 644-1204 <a href="mailto:GRCST4@gov.ab.ca">GRCST4@gov.ab.ca</a>	Lily Hiew (Acting)

Gas Royalty Reception: (780) 427-2962  
 Fax: (780) 427-3334 or (780) 422-8732  
 Alberta Toll Free: (780) 310-0000  
 Hours of operation are 8:15 a.m. to 4:30 p.m.  
 Voice messages left after 4:30 p.m. will be answered the next business day.

In situations where a company has just amalgamated or purchased another company, the general rule is to call the team that is responsible for the “Supra” business associate, or Royalty payer.

Below are some guidelines for clients who are unsure which Client Services Team to call regarding their questions.

1. **Amalgamation/consolidation** - Call the team responsible for the “Supra” business associate (Royalty Payer).  
 i.e. ABC Oil and Gas amalgamates with Zed Exploration and Zed is the amalgamator (royalty payer). When calling Client Services regarding business for ABC Oil and Gas you would call Team 4 (Q-Z) (780-644-1204) because Zed Exploration is now the Supra business associate and royalty payer. This rule would apply even if you were calling regarding business that is prior to the acquisition or amalgamation.

2. **Asset Purchase** - Call the team responsible for your company.  
i.e. 123 Gas purchases the assets of TSP Exploration, but not the company. When calling Client Services regarding business for 123 Gas you would call Team 1 (# Co., A, B, & L) (780-644-1201) because you have only purchased assets. You would not be entitled to information regarding business for TSP Exploration that is prior to the asset purchase.
  
3. **Consultants/service providers** - If you have a contract to provide production accounting services to a company, call the team responsible for your client's company.  
i.e. Paul Snow Consulting Services enters into a contract with Duckback Oil and Gas and Olive Oil and Gas. Paul Snow would contact Team 2 (C-G) (780-644-1202) to discuss Duckback Oil business and Team 3 (H-P excluding L) (780-644-1203) to discuss Olive Oil and Gas business. At the time the contract is signed, Paul Snow would have had each company notify the appropriate team that he was authorized to access information for their company.

### **Reference Prices and Valuation Allowances Calculation Information**

Gas Royalty Valuation and Markets  
300, 801 – 6 Avenue SW  
Calgary, Alberta T2P 3W2  
Telephone (403) 297-5514  
Fax (403) 297-5400

### **Calgary Information Centre**

300, 801 – 6 Avenue SW  
Calgary, Alberta T2P 3W2  
Telephone (403) 297-6324  
Fax (403) 297-8954

### **Alberta Royalty Tax Credit Information**

Alberta Tax and Revenue Administration  
Tax Services  
Telephone: (780) 427-3044  
Alberta Toll Free: (780) 310-0000  
Fax: (780) 427-5074  
For further information, please contact Tax Services at (780) 427-9425.

Deen Khan  
Director, Gas Royalty Calculation  
Gas Development

**2005 GAS AND ISC PRICES**

MONTH	Gas Reference Price (\$/GJ)	Methane ISC Reference Price (\$/GJ)	Methane ISC Par Price (\$/GJ)	Ethane ISC Reference Price (\$/GJ)	Propane ISC Reference Price (\$/GJ)	Butanes ISC Reference Price (\$/GJ)	Pentanes plus ISC Reference Price (\$/GJ)
JAN	6.02	5.99	5.99	6.22	6.34	6.34	6.29
FEB	5.94	5.91	5.91	6.22	6.26	6.29	6.30
MAR	6.30	6.24	6.24	6.74	6.92	6.95	6.98
APR	6.79	6.75	6.75	7.10	7.22	7.26	7.28
MAY	6.51	6.49	6.49	6.82	6.89	6.93	6.94
JUN	6.34	6.29	6.29	6.73	6.86	6.89	6.93
JUL	6.87	6.82	6.82	7.19	7.31	7.36	7.39
AUG							
SEPT							
OCT							
NOV							
DEC							

Natural Gas and NGLs Select Prices for 2005		
Commodity	2005	
New Methane	1.376 \$/GJ	
Old Methane	0.405 \$/GJ	
New Ethane	1.376 \$/GJ	
Old Ethane	0.405 \$/GJ	
Propane	1.376 \$/GJ	
Butanes	1.376 \$/GJ	
Pentanes plus	49.19 \$/m3	
Royalty Factors for Pentanes plus		
	Base	Marginal
New Pentanes	22	35
Old Pentanes	22	50

DETAIL OF THE JULY 2005 GAS AND ISC REFERENCE PRICES						
	Gas	Methane	C2-IC	C3-IC	C4-IC	C5-IC
Weighted Average Price of Alberta	7.076	7.047	7.293	7.369	7.389	7.403
Deductions: Intra – Alberta Transportation	0.254	0.270	0.154	0.108	0.084	0.064
Marketing Allowance	0.023	0.023	0.023	0.023	0.023	0.023
Price Before Pipeline Factor	6.799	6.754	7.116	7.238	7.282	7.316
Pipeline Fuel/Loss Factor	.991	.991	.991	.991	.991	.991
Price before Special Adjustment	6.741	6.696	7.055	7.175	7.220	7.254
Special Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Price before 2% amendment limitation or rounding	6.741	6.696	7.055	7.175	7.220	7.254
Amendments: Carry forward (from previous RP month)	0.003	0.000	0.003	-0.003	0.003	-0.002
Prior Period Amendment Adjustment (current RP month)	0.218	0.198	0.399	0.475	0.516	0.516
Calculated RP after Amendments	6.962	6.894	7.457	7.647	7.739	7.768
<b>JULY 2005 Reference Price</b>	<b>6.87</b>	<b>6.82</b>	<b>7.19</b>	<b>7.31</b>	<b>7.36</b>	<b>7.39</b>
Difference = value carried forward to next RP month	0.092	0.074	0.267	0.337	0.379	0.378
Adjusted IATD (before Prior Period Amendments)	n/a	0.268	0.153	0.108	0.083	0.063
Prior period Amendments (IATD and Pipeline Fuel Loss)	n/a	0.006	0.003	0.002	0.002	0.002
Adjusted IATD (after Prior Period Amendments)	n/a	0.274	0.156	0.110	0.085	0.065

<b>2004 Weighted Average Reference Price (\$/GJ)</b>
5.995

<b>2004 Weighted Average OMAC (\$/GJ)</b>
0.021

## 2005 NATURAL GAS LIQUIDS PRICES

MONTH	Ethane Reference Price (\$/GJ)	Ethane Par Price (\$/GJ)	Propane Reference Price (\$/m3)	Propane Par Price (\$/GJ)	Propane Floor Price (\$/m3)	Butanes Reference Price (\$/m3)	Butanes Par Price (\$/GJ)	Butanes Floor Price (\$/m3)	Pentanes plus Reference Price (\$/m3)	Pentanes plus Par Price (\$/m3)	Sulphur Default Price (\$ per tonne)
JAN	6.22	6.22	213.42	6.34	182.74	286.23	6.34	229.22	420.54	392.96	30.62
FEB	6.22	6.22	212.28	6.26	181.37	299.63	6.29	230.67	466.37	434.07	35.01
MAR	6.74	6.74	252.62	6.92	211.93	319.32	6.95	247.32	466.81	449.92	32.65
APR	7.10	7.10	247.29	7.22	222.85	285.54	7.26	266.90	458.62	435.93	29.86
MAY	6.82	6.82	242.50	6.89	218.28	256.14	6.93	235.69	419.68	399.43	36.22
JUN	6.73	6.73	269.28	6.86	227.24	265.16	6.89	245.76	450.01	436.18	37.47
JUL	7.19	7.19	260.68	7.31	234.97	312.47	7.36	267.01	467.36	447.74	37.13
AUG											
SEPT											
OCT											
NOV											
DEC											

ANNUAL SULPHUR DEFAULT PRICE				
2000	2001	2002	2003	2004
\$11.03	\$0.28	\$6.74	\$30.97	\$31.98

## 2005 NGL TRANSPORTATION ALLOWANCE AND DEDUCTIONS

MONTH	PENTANES PLUS (a)				PROPANE AND BUTANES (b)				PENTANES PLUS, PROPANE & BUTANE (c)				FRAC. ALLOW. (per m3)
	REGION				REGION				REGION				
	1	2	3	4	1	2	3	4	1	2	3	4	
JAN	28.06	14.75	41.69	35.31	12.05	1.32	9.29*	4.47	29.23	30.73	40.55	25.96	11.50
FEB	28.42	21.08	34.92	50.06	13.03	3.86	10.67*	7.22	35.95	40.12	48.36	31.01	11.50
MAR	16.72	2.34	23.40	33.49	20.22	9.27	-13.09	10.32	14.58	27.11	38.77	22.73	11.50
APR	22.18	8.43	33.66	34.13	3.94	-8.13	-18.36	-2.09	11.48	17.04	26.24	12.67	11.50
MAY	15.27	16.96	37.88	22.82	2.15	-7.78	-24.30	-11.43	8.47	8.08	20.93	12.16	11.50
JUN	8.40	13.57	15.85	25.21	15.42	7.73	-2.82	6.52	16.11	12.73	22.15	20.50	11.50
JUL	16.39	18.24	42.50	15.13	15.17	3.19	-27.33	-23.36	22.65	21.58	41.87	22.87	11.50
AUG													
SEPT													
OCT													
NOV													
DEC													

- (a) Pentanes Plus obtained as a specification gas product,
- (b) Propane and Butanes obtained as specification products, and
- (c) Pentanes Plus, Propane and Butane contained in a natural gas liquids mix.

\* Current month calculated allowance is based on an estimate.

Note: For details on “Prior Period Amendment Effects”, see Attachment 2A.

PRIOR PERIOD AMENDMENT EFFECTS												
NGL REFERENCE PRICES		JULY 2005										
	<i>Propane</i>	<i>Butanes</i>	<i>Pentanes</i>									
Price before amendments	260.681296	312.466838	467.356873									
Opening Rollover (from prior business mth)	0.001605	0.004816	-0.001064									
Prior Period Amendment Adj. (NGL-1)	0.000000	0.000000	0.000000									
Prior Period Amendment Adj. (NGL-100)	0.000000	0.000000	0.000000									
<b>Published Reference Price</b>	<b>260.68</b>	<b>312.47</b>	<b>467.36</b>									
TRANSPORTATION ALLOWANCES		JULY 2005										
	Pentanes Plus				Propane and Butanes				Pentanes Plus, Propane & Butane			
AMENDMENTS	Region 1	Region 2	Region 3	Region 4	Region 1	Region 2	Region 3	Region 4	Region 1	Region 2	Region 3	Region 4
Opening Rollover (from prior business mth)	0.004974	0.000325	0.003196	-0.002342	-0.003891	0.004799	-0.002158	0.001077	0.002512	-0.000746	0.004353	0.004313
Prior Period Amendment Adj. (NGL1)	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Prior Period Amendment Adj. (NGL-100)	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Total Amendment Effect	0.004974	0.000325	0.003196	-0.002342	-0.003891	0.004799	-0.002158	0.001077	0.002512	-0.000746	0.004353	0.004313
Calculated Transp. Differential	16.382409	18.243428	42.492964	15.132793	15.171225	3.183596	-27.330781	-23.359535	22.646045	21.581835	41.867797	22.864054
Calculated Transp. Differential after Total Amendments	16.387383	18.243753	42.496160	15.130451	15.167334	3.188395	-27.332939	-23.358458	22.648557	21.581089	41.872150	22.868367
<b>Published Transportation Allowance</b>	<b>16.39</b>	<b>18.24</b>	<b>42.50</b>	<b>15.13</b>	<b>15.17</b>	<b>3.19</b>	<b>-27.33</b>	<b>-23.36</b>	<b>22.65</b>	<b>21.58</b>	<b>41.87</b>	<b>22.87</b>

\*Any estimates represented by (\*) are calculated as the weighted average of the other regions for the same spec product transportation allowance, since the region is zero. The weightings are based on the previous year's production.

