

May 20, 2008

INFORMATION BULLETIN 2008-02

Subject: Conventional Oil Royalty Changes as a result of the New Royalty Framework

On October 25, 2007, the premier announced the New Royalty Framework. The new framework will affect the way in which conventional oil royalty is calculated. Key areas that will impact conventional oil are:

- New royalty structure for calculating conventional oil royalty
- Introduction of 4 Par Prices
- New Deep Oil Exploratory Well Program
- Termination of all well based oil royalty programs
- Termination of tiering

As part of the Conventional Oil Business Unit's commitment to industry, we are offering a series of training sessions to ensure that industry becomes familiar with the New Royalty Framework and its impact on conventional oil royalty. The second round of these training sessions is scheduled for Wednesday, June 18, 2008.

The June 18, 2008 sessions will be held at McDougal Centre (455 – 6th Street SW – Calgary) in the Rosebud room (4th floor) from 10:00 am - 11:30 am or 1:30 pm - 3:00 pm. If you would like to attend either of these training sessions, please register by contacting Tanya Berry (403) 297-5513 or tanya.berry@gov.ab.ca. Deadline for registration is Monday, June 16, 2008.

For further information please contact:

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Attachments: None