

Registration of Allocated Research or Development Expenditures (RAE)

[Used to Register Credits to Offset Escalating Rent Charges]

Example Only

Project Operator
 Project Name
 Project Owner(s)
 Project Period

(Max. 5years) Beginning Date: _____ End Date: _____

Corporate Approval **AFE #####**
 (must be attached)

Research -- Project Scope Describe the nature, duration and expected results of the project. Also identify where the research will take place and who will be conducting it.

Development Activity Describe the nature of the development and how it relates to the leases identified.

Approved Expenditure	eg. \$500,000		\$500,000	needs to be -- Brokdown for each lse Percentage
Lease Interest	Lessee & Interest	Lease	Project Cost Allocated	Assigned
100%	Ab Oil Sands Ltd.	74#####1	\$300,000	60%
78%	Ab Oil Sands Ltd.	74#####2	\$100,000	20%
40%	Ab Oil Sands Ltd.	74#####5	\$50,000	10%
8%	Ab Oil Sands Ltd.	74#####14	\$50,000	10%
Total Allocation			\$500,000	100%

Put in some sort of signature line (Corporate Officer) signifying that the lessee understands record keeping of AFE and subject to audit. Same paragraph to include that final offset cost subject to both a concept audit and financial audit conducted by Crown. Lessee also agrees that a revised AFE (either to modify scope or allocations) acceptance will be at Minister's discretion.