June 15, 2006

OIL SANDS INFORMATION BULLETIN 2006-02

SUBJECT: The Alberta Oil Sands Tenure Principles and Procedures

The Alberta Oil Sands Tenure Principles and Procedures (Guidelines) interpret the relevant legislation, particularly the Oil Sands Tenure Regulation (AR 50/2000), and the Mines and Minerals Administration Regulation (AR 262/97). The Guidelines are designed to help lessees, permittees, and developers determine their oil sands tenure entitlements and obligations; and to communicate oil sands tenure-related policy to industry stakeholders.

The June 15, 2006 Guidelines replace the June 6, 2003 Guidelines and include the new Posting, Bidding, and Direct Purchases of Oil Sands business rules. The attached list identifies the updates made to the Guidelines since June 6, 2003.

The June 15, 2006 Guidelines can be retrieved from the Department of Energy website: http://www.energy.gov.ab.ca. (Navigate to ‘Our Business’, then ‘Oil Sands’, and then ‘Guidelines (Tenure’)).

Oil Sands Tenure clients are encouraged to continually check the department’s website as these Guidelines reflect the ongoing policies and procedures of the Oil Sands Tenure Program and are subject to change as required.

In cases of conflict the Mines and Minerals Act, the Oil Sands Tenure Regulation, and the Mines and Minerals Administration Regulation will take precedence over these Guidelines.

If you have any questions regarding the content of the updated Guidelines please go to the Department of Energy website and navigate to ‘Our Business’, then ‘Oil Sands’, and then ‘Contacts’.

Soheil Asgarpour, Ph.D., P. Eng.
Business Unit Leader
Oil Sands Development Business Unit

Attachment
Global changes

- Department of Energy Web site links: Replaced broken web links with web site navigation instructions.
- Legislation references: Moved legislative references out of the paragraph.
- Oil Sands Tenure forms: Inserted navigation instructions to Oil Sands Tenure related forms.
- Examples: Updated examples to more current dates.
- Information Letters References: Replaced Information Letter references with web site navigation instructions.
- In this document: Updated to provide navigation instructions to the Oil Sands home page.
- Contacts: Moved contacts to the appendix.

Reason for change

- Replaced broken web links with web site navigation instructions.
- Moved legislative references out of the paragraph.
- Inserted navigation instructions to Oil Sands Tenure related forms.
- Updated examples to more current dates.
- Replaced Information Letter references with web site navigation instructions.
- Updated to provide navigation instructions to the Oil Sands home page.
- Moved contacts to the appendix.

Tenure Guideline Description

Chapter 1
Alberta Oil Sands: Updated with current information and removed forecasting.

Chapter 2
- Payment: Information Letter 2006-12.
- Sales Results: Information Letter 2006-12.
- Acceptance and Processing: House keeping.
- Payment: Information Letter 2006-12.
- Transfer of Ownership in Oil Sands Agreements: Information Letter 2006-12.
- Requesting a Transfer: Information Letter 2006-12.
- Requesting a Partial Transfer: House keeping.

Chapter 3
- Agreement Types: House keeping.
- Lease Types: House keeping.
- Leases: House keeping.
- Permits: House keeping.
- Designated Representative: House keeping.
- Applying for Leases Continuation: House keeping.
- Applying for Primary Lease Out of a First-Term Lease: House keeping.
- Applying for Lease Selection: House keeping.
- Consolidation: House keeping.
- Cancellation: House keeping.

Chapter 4
- Figure 2: House keeping.
- Figure 3: House keeping.
- Coring and Coring Equivalent Data: House keeping.
- Seismic Data: House keeping.

Chapter 5
- Minimum levels of Production: House keeping.
- Solution Gas: Updated definition of Solution Gas as identified in Information Letter 2005-25.

Appendix Description

- Replaced "samples" with navigation instructions to Oil Sands related forms.
- Replaced list of Information Letters and Bulletins with navigation instructions.
- Added information regarding subscriptions and navigation instructions.
- Amended some definitions for clarification.
- Updated abbreviations.
- Updated contact information and included mailing address, Department of Energy website, and navigation instructions.
- Added information regarding systems and services giving a brief description of the services required for Oil Sands Tenure related business.