Saskatchewan



200, 2101 Scarth Street Regina, Canada S4P 2H9

September 25, 2008

TO: SASKATCHEWAN OIL OPERATORS, SPECIAL OPERATORS, MARKETERS AND INTERESTED PARTIES

RE: CHANGES TO CRUDE OIL PRICE AND TRANSPORTATION CHARGE REPORTING

This letter is a follow-up to the July 9, 2008 letter regarding the above concerned subject. Please be advised of the following updates.

Industry Reporting Effective Date:

At the request of some industry stakeholders the Ministry of Energy and Resources (ER) has agreed to extend the due date for implementation of the required changes for crude oil price and transportation charge reporting. The new due date for final implementation of these changes is the January 2009 production month, which corresponds to data that is to be submitted to ER by no later than March 2nd, 2009. Also, all delinquent and amended reports for prior months must meet the new format requirements by March 2nd, 2009.

Industry Crude Oil Price Reporting Options for the period <u>prior to the January 2009 Production Month:</u>

Option 1

All Saskatchewan oil operators, special operators, marketers and purchasers can continue to report a Gross Price/m3 and Average Net Price/m3 of three (3) numbers before the decimal and three (3) numbers after the decimal. In other words the field size will remain as 999.999 (3.3). This is applicable for the following report forms that are submitted to the Petroleum Statistics Branch:

- Operator's Disposition Report (ER-61)
- Working Interest Owner's Non-Unit Oil Sales Report (ER-61S)
- Oil Unit Disposition Report (ER-61U)
- Recovered Crude Oil Disposition Report (ER-61R)
- Oil Purchaser's Report (ER-386)

Saskatchewan operators and special operators can continue to report crude oil transportation charges using the existing field size of 99999.99 (5.2) for the following report forms:

- Operator's Disposition Report (ER-61)
- Working Interest Owner's Non-Unit Oil Sales Report (ER-61S)



- Oil Unit Disposition Report (ER-61U)
- Recovered Crude Oil Disposition Report (ER-61R)

Option 2

ER wishes to advise industry that our internal systems will be ready to accept the new field size changes effective with the original implementation date (September 2008 production month reporting). For those companies that have already changed their systems and/or have been approved to submit electronically using the new expanded fields, ER will accept the revised report forms or the modified electronic data files **effective with the September 2008 production month reporting.**

As per the report forms stated above in Option 1, this pertains to the following:

- (a) a Gross Price/m3 and Average Net Price/m3 of four (4) numbers before the decimal and three (3) numbers after the decimal (field size 9999.999/ format 4.3),
- (b) an expanded field size of 999999.99 (6.2) for the Oil Transportation Charges.

ER encourages industry to be proactive in implementing the required changes prior to the March 2nd due date. You are reminded that new test data must be submitted to ER for approval to ensure that your electronic data files meet the new requirements.

Contact Information:

- Electronic Data Submission Reporting and Specifications: Kathy Pettigrew at (306) 787-2052 or email at kathleen.pettigrew@gov.sk.ca.
- ER-61, ER-61S, ER-61U and ER-61R Reporting: Linda Majore at (306) 787-2556 or email at linda.majore@gov.sk.ca.
- ER-386 Reporting: Roy Smysniuk at (306) 787-3376 or email at roy.smysniuk@gov.sk.ca.
- Royalty/Tax Reporting: Blaine Cooper at (306) 787-6507 or email at blaine.cooper@gov.sk.ca.

The above report forms, instruction directives and the *Saskatchewan Electronic Data Submission Manual* are available on ER's website at: www.er.gov.sk.ca/proddispforms.

If you require a copy of the July 9, 2008 letter, or have any other questions regarding this letter, please contact me at (306) 787-2607 or email at darwin.roske@gov.sk.ca.

Sincerely,

Darwin Roske, Director Petroleum Statistics Branch