The Petroleum Registry of Alberta
Energizing the flow of information

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PETROLEUM REGISTRY UPDATE

2008 is proving to be another very active year for the Registry team. From day-to-day operations, to development of a number of stakeholder sponsored enhancements, to ongoing interest by outside jurisdictions, the team is focused and fully engaged as it carries out its mandate on behalf of the Crown and the upstream oil and gas industry.

This year we also refined a number of the Key Performance Indicators that we use to compare actual performance to established stakeholder targets.

In 2008 the Registry has processed an average of 1.2 million transactions and 2.5 million page hits every month…and we currently have over 17,000 active Industry Business Associates User ID's.

In 2007 the Registry Steering Committee approved an update to the Registry's mission statement. It reads as follows:

"Our vision is that the Petroleum Registry of Alberta (the Registry) will be the official repository for relevant and appropriate regulatory, royalty, selected commercial and environmental information related to the

regulatory, royalty, selected commercial and environmental information related to the upstream petroleum industry. The Registry will assure that identified stakeholders have easy, centralized access to safe, comprehensive, reliable and timely petroleum-related information.

Our commitment is that Industry and Government will work collaboratively to execute the achievement of this vision."

This vision has been practically applied as we follow-up on interest expressed by a number of neighbouring provinces and territories.

Over the past number of years we have been involved in discussions with the Province of British Columbia, culminating in the development of a Business Case in 2007 in accordance with Phase 5 of the Registry's protocol for outside jurisdictional/organizational interest in utilizing the Registry. In early 2008, the Yukon Territory completed an Industry sponsored Opportunity Assessment/Evaluation pursuant to Phase 4 of the protocol. Over the summer the Province of Saskatchewan also completed an Industry sponsored Opportunity Assessment/Evaluation. Saskatchewan has now advanced to the Business Case development phase (phase 5 of the protocol). More recently, Manitoba received approval by our Registry Steering Committee to advance to the Opportunity Assessment/Evaluation phase, sponsored by Industry.

Wally Goeres
Petroleum Registry Manager

CURRENT STATUS FOR NEW PROJECTS

New Royalty Framework (NRF) Project

The Petroleum Registry Team is currently well underway in ensuring successful implementation of the Registry enhancements required for the New Royalty Framework (NRF) changes. The Registry will implement these enhancements over three distinct phases.

Phase I – November 2008.   Includes changes to the Registry to incorporate the ERCB pool density values, in support of the DOE Oil NRF Royalty Shadow Billing Process, which also commences in November. The Well Query screens in the Registry will be augmented to include this new density value.

Phase II – February /March 2009. Further changes will occur to the Well Query and Production Entity screens to incorporate the DOE Oil Density values, as well as the Acid Gas values required for the DOE Gas Royalty calculation purposes. Other changes include updates to the Facility Cost Centre set-up/change process (AC1), and the steps to terminate the vintages displayed in the Registry. (Vintage is no longer applicable for the NRF periods.)

Phase III – 4th Quarter 2009. The remaining Allowable Cost areas (AC2-AC5) will be updated to reflect the new Gas Royalty rules surrounding Allowable Costs, where applicable.

Changes to Industry reports (e.g. Well Infrastructure Report, Production Entity Report, Royalty Attribute Change Report) is also part of these enhancements and will be rolled out as part of the Registry NRF Project.

Look for further communication updates regarding the Registry NRF Project on our website (www.petroleumregistry.gov.ab.ca).

ERCB Sponsored Waste Plant Reporting

The Petroleum Registry is pleased to be working with its stakeholders on another new initiative – the ERCB-sponsored Waste Plant Reporting Project.

Currently, the ERCB requires Industry to submit an oilfield waste management facility statement (S-25) to report a summary of the wastes processed by composition (oil, water and solids). This is a paper based form submitted on a monthly basis.   This information is then manually keyed into the ERCB systems for compliance and consistency checks.

The Registry Waste Plant Reporting Project adds new online and batch functionality to the Registry application. This will allow Industry to extend the existing reporting of monthly volume data to the Registry to include Waste Plant Reporting.

Benefits of this project for both the ERCB and Industry include:

- Greater data accuracy, assurance and reliability.
- Greater alignment of ERCB, Industry and Registry systems.
- Greater opportunity to identify non-compliance issues.
- Improved efficiency through significant reduction in manual effort.
- Standardization of monthly reporting requirements within the Registry.
- Balancing and compliance assurance.
- Integration of Waste Plant reporting into volumetric reporting allows the creation of auto created receipts and dispositions to upstream and downstream reporting facilities.
- Allowing of pipeline split reporting.

The project is expected to be complete in April, 2009.

REGISTRY RESOURCE CENTRE

The Registry Resource Centre continues to provide a wealth of information to assist Industry in getting the most value from the Registry related to providing and retrieving information.

TRAINING MODULES (Over 80 Modules)
A. **Knowledge Module**
   A high level overview to each topic area.
B. **Step-by-Step**
   Step-by-step instructions (including screen prints) on each area of functionality.

JOB AIDS
"Tools" to help users with specific Registry tasks. (eg: CSV spreadsheet uploads).

TIPS AND ALERTS
Short-term "Tips" or information updates to assist users in getting the most value out of the Registry.

USER FOCUS ITEMS
"Tips" or other information deemed to have a long-term value to users in a given area. This is a new

concept for the Registry and is currently under development.

Another key resource for Industry is the "**ONLINE HELP" function** which is accessed as context specific instructions within the Registry itself to assist users in utilizing that process.

DID YOU KNOW

New ERCB Monthly Volumetric Non-Compliance Event

The ERCB introduced a new Monthly Volumetric Reporting Noncompliance Event effective July 1, 2008. As per Registry Tip #125 dated June 12, 2008, if an operator that is amalgamated by another company does not transfer all of its listed facilities to an active operator by the 'Amalgamation Established Date' (default of 90 days unless otherwise stated), the ERCB will place the Successor in the Amalgamation on the Noncompliance process as outlined in Table 1 of *ERCB Directive 019: Compliance Assurance - Enforcement, Low Risk Enforcement.*

Prior to this July date, there were no consequences associated with this noncompliance. Please refer to Registry Tip #125 for additional details, and contact the ERCB Production Accounting Help Desk if you require further assistance, call 403-297-8952 or e-mail at **PA.Help@ercb.ca**.

Daytime Running of Reports

An assessment of the current Industry approved parameters for report processing and sizing is currently underway to explore opportunities based on our recently experienced stepped gains in Registry performance. The Industry Benefits Committee (IBC) has prioritized a number of reports that they would like to see processed during daytime hours. Watch for further updates on the Registry Website under: Bulletin Board-Documents-Reference & Historical-Reference Material-Guidelines for Setting Report Parameters.

INDUSTRY'S REGISTRY PLANNING FOR 2009

Industry governance processes related to the Registry call for annual consultations with Industry to identify and "rate" Registry-related priorities to be pursued during the coming year. These consultations also assist in identifying the Industry Registry Team (IRT) resources required to pursue these priorities.

Meetings have been held with the IBC and the CAPP Accounting Committee to confirm Industry's Registry-related priorities for 2009. These priorities have been reviewed with the IRT's Industry Steering Committee, and were recently endorsed by both the SEPAC Finance Committee and the CAPP Fiscal Executive Policy Group.

These senior CAPP and SEPAC committees support the IRT's continued participation with the Registry Team in the following activities:

- Base Activities including testing, training, producer and software vendor liaison and support, change management, promotion of initiatives, performance advocacy and Registry Management Team activities.
- Saskatchewan
- British Columbia
- Manitoba
- Yukon
- New Royalty Framework
- Participation in consideration of the Registry for the proposed ERCB Enhanced Production Audit Program risk assessment tool.
- ERCB Waste Facility Reporting
- Partner Reporting
- Royalty Estimators – current month and forecast estimators will be reconsidered after NRF is in place.

Contact Ross Weaver, Industry Registry Manager (403-297-4411) if you have any questions or comments on Industry's Registry planning for 2009.

CONTACT US

A major element of the Registry mandate is creating and maintaining avenues of two-way communication with stakeholders to ensure their concerns and needs are met. To contact the Registry phone or e-mail us at:

\#   403-297-6111 (Calgary)
\#   1-800-993-1144 (Outside Calgary)
E-mail: petroleumregistry.energy@gov.ab.ca

…and visit our web site at www.petroleumregistry.gov.ab.ca, which provides:

- Important and timely Broadcast Messages.
- Access to the Registry Login page.
- Access to the Registry Resource Centre.
- A wealth of other information to assist users in getting the most out of the Registry.