January 15, 1996

SUBJECT: Petroleum and Natural Gas Tenure Review

The Minerals Tenure Branch, which operates within the Operations and Support Division of the Alberta Department of Energy, is currently engaged in a review of the legislation that it administers and the associated business processes. The Branch is working closely with the Canadian Association of Petroleum Producers, the Small Explorers and Producers Association of Canada, the Canadian Association of Petroleum Landmen, the Canadian Association of Petroleum Land Administration, and the Petroleum Joint Venture Association.

In November 1995 we issued Information Bulletin 95-1, together with the proposal for redesigning the business rules for lease continuation. Companies and associations within industry have responded to that roposal, and we are now in the process of compiling the feedback for distribution to the associations.

Attached to this Bulletin is the second proposal, for Redesigning the Business Rules for Rights Management. All of these issues have been discussed with the associations mentioned above, except Section 9 - Sales. Again, we invite you to submit your comments and suggestions, which may be sent to the Department through your association, or directly to:

Julie Miles, Project Leader
Petroleum and Natural Gas Tenure Review Project
Operations and Support Division
Alberta Department of Energy
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9915 - 108 Street NW
Edmonton, AB T5K 2G8
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All comments should be received by February 27, 1996. The names of the contributors will be kept confidential, but all comments will be shared with the industry associations.

If you require further explanation or information, please call Julie Miles at (403) 422-9374, Paul Batke at (403) 422-9389 or me at (403) 422-9430.

Final proposed changes to legislation will be circulated for your review.

F David Coombs Branch Head Minerals Tenure Branch