

November 9, 2004

OIL SANDS INFORMATION BULLETIN 2004-01

Subject: Changes to Posting Request & Direct Purchase Application Submissions for both PNG and Oil Sands Rights

Effective March 30, 2005 the department will no longer accept paper submissions of posting requests for public offerings or direct purchase applications.

All applicable transactions will need to be submitted electronically through the new e-Posting system (web-based) using the department's highly secure Electronic Transaction System (ETS).

Background:

E-Tenure is the department's initiative to move much of its P&NG and Oil Sands tenure related business to a web-based process by mid 2006. Doing so will eliminate many manual processes and the corresponding submission of paper forms by industry; thereby enhancing the ability of both the department and industry to conduct key aspects of our tenure business. E-Tenure is a multi-phased project that began by first defining, then proceeding with three initial phases. The first phase was e-Transfers, which began in 2003 and was implemented in March 2004. The second phase is e-Postings, which began in early 2004 and is scheduled to be operational March 30, 2005. The third phase will be e-Bidding, which will commence in early 2005 and be completed by spring 2006. Other phases will be identified and planned once e-Bidding is underway.

When phases 2 and 3 are implemented, companies will be required to use new processes in order to conduct that business with the department. Applicants will not have the option to continue submitting paper forms using the previous manual processes/transactions. A more comprehensive overview of e-Tenure is provided on the website page for the department's Tenure Business Unit, who is leading the e-Tenure project on behalf of the department. The Tenure Business Unit's website is located at <<http://www.energy.gov.ab.ca/com/Tenure/eTenure/default.htm>>.

Information Session:

The Tenure and Oil Sands Business Units invite all companies that currently hold petroleum & natural gas or oil sands rights, or may wish to acquire those rights in the

future, to attend an e-Posting information session scheduled for Thursday November 25, 2004 at the Metropolitan Centre in Calgary.

You can register for this session via Canadian Association of Petroleum Land Administration's (CAPLA) website <http://www.caplacanada.org/>.

Topics that will be covered at the November 25, 2004 session include:

- an overview of the e-postings project;
- policy and process changes;
- timelines for implementation;
- examples of the responsibilities and corresponding roles for individuals within a company, and how these roles can be set up; and
- training for your staff and how and when they can sign-up for training.

The information exchange is a joint CAPL/CAPLA/Department initiative

E-Bidding is scheduled to commence development in April 2005 with a 'go live' date in March 2006 and it will be mandatory when implemented. We would welcome your participation during the e-Bidding phase. Please watch for further details to be posted on our department's website.

For further details, please contact:

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