Modernized Royalty Framework: Formulas
Conventional Oil, Pentane Plus (extracted and in-stream component) and Field Condensate
For wells spud on or after January 1, 2017

R% = Price Component (r_p) + Quantity Adjustment (r_q)

R% has a minimum of 5% and maximum of 40%

Royalty Parameters		
	Price (C$/m^3)	**% Change (%/$/m^3)**
P1	251.70	0.07100%
P2	409.02	0.03900%
P3	723.64	0.02000%

Price Component (r_p)	
Price ($/m^3)	**r_p**
PP<=251.70	10%
251.70<PP<=409.02	((PP-251.70)*0.00071+0.10000)*100
409.02<PP<=723.64	((PP-409.02)*0.00039+0.21170)*100
PP>723.64	((PP-723.64)*0.00020+0.33440)*100
Maximum	40%

Maturity Threshold		
	Q	**% Change**
Q oil equivalent volumes	194.0 (m^{3}e/month)	0.1350% (%/m^{3}e/month)
Quantity Adjustment (oil equivalent volume)		
Quantity (m^{3}e/month)	**r_q**	
Q >=194.0	0%	
Q <194.0	[(Q-194.0)*0.001350]*100	
Note: Quantity is calculated at a well level, where m^{3}e/month = m^3 equivalent per month.		
Note: r_q is 0 or negative		

A well will pay 5% royalty rate until revenue equals C*($). R% applies once a well's revenues exceed C* (post-C* phase). The minimum royalty rate in the post-C* phase is 5%.