



Application Information Guide

New Oil Sands Royalty Project Application under Part 2 section 10(1) of the *Oil Sands Royalty Regulation, 2009 (AR223/2008)* (“OSRR09”)

Definitions of terms used in this document and detailed explanations can be found in the *Oil Sands Royalty Guidelines*, located at <https://www.alberta.ca/oil-sands-royalty-guidelines>.

This document is intended to serve as a guideline of the minimum information required for a new Oil Sands Royalty Project application. It is assumed that the applicant has a good working knowledge of OSRR09, *the Oil Sands Allowed Costs (Ministerial) Regulation (AR231/2008)* (“OSAC”) and *the Oil Sands Royalty Guidelines*.

Information Requirements	Required for or by:	Reference Resources
1. Applicant has a Business Associate (BA) ID with the Alberta Department of Energy and Minerals (“Department”)	ETS Access and online submission of application	Section 3.3.2 of the <i>Oil Sands Royalty Guidelines</i> For BA ID inquiries please contact the Department Crown Land Data at 780-644-2300 or crownlanddatasupp@port@gov.ab.ca
2. Applicant has an active ETS Account	ETS Access and online submission of application	Section 3.3.2 of the <i>Oil Sands Royalty Guidelines</i> For ETS inquiries please contact the Department Crown Land Data at 780-644-2300 or crownlanddatasupp@port@gov.ab.ca

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3. Application includes the name of the operator of the Project	OSRR09 section 10(2)(i)	Section 2.3.5 of the <i>Oil Sands Royalty Guidelines</i>
4. Applicant is a lessee of the mineral agreements to be included in the proposed Project, or the lessee's designee <ul style="list-style-type: none"> (i) Application includes identification and contact information for all lessees (ii) If the operator is not the sole lessee, the application includes a letter from each project lessee clearly authorizing or consenting to the application being made by the operator (iii) Application includes a letter from each project lessee clearly authorizing or consenting to the application being made by the designee (If the application is made by the project lessee's designee) 	OSRR09 section 10(1)	Section 2.3.3, Section 3.2, and Section 3.3.3 of the <i>Oil Sands Royalty Guidelines</i>
5. The proposed Project includes the whole or part of one or more Alberta Energy Regulator ("AER") approved schemes <ul style="list-style-type: none"> (i) Application includes a copy of the current AER scheme(s) and a copy of each prior AER scheme or amendment (ii) Application includes a copy of the current AER scheme application(s) and a copy of each prior AER scheme or amendment application 	OSRR09 section 10(1)(a)	Section 2.2.1 and Section 3.3.3.5.1 of the <i>Oil Sands Royalty Guidelines</i>
6. The proposed Project contemplates recovery of oil sands from Crown rights only	OSRR09 section 10(1)(b)	Section 2.3.4 of the <i>Oil Sands Royalty Guidelines</i>
7. Application includes a processing plant if the proposed Project is a mining operation	OSRR09 section 10(1)(c)	
8. Application includes a proposed description of Project operations, including: <ul style="list-style-type: none"> (i) The recovery methods and technology that will be used (ii) Reserves Report for the proposed Project with appropriate sign-off and supporting documents. The information in the reserve report must align with data reported in Economic Evaluation form. 	OSRR09 sections 10(2)(a), 11(1)(a), and 11(1)(b)	Section 3.3.3.5.5 of the <i>Oil Sands Royalty Guidelines</i> IB 2015-07

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<ul style="list-style-type: none"> (iii) Expected production profile, including the peak production capacity of the proposed Project (iv) Development plans and full life cycle development schedule of all components of the proposed Project (v) Geographic locations of all components of the proposed Project 		
9. Application includes a listing and description of the wells to be included in the proposed Project	OSRR09 section 10(2)(a.1)	Section 2.3.9, Section 3.3.3.5.5, and Section 3.3.3.5.6 of the <i>Oil Sands Royalty Guidelines</i>
10. Application includes a description of the integrated project, including the integrated shared operations and the integrated upgrader, if the proposed Project forms part of an integrated project	OSRR09 section 10(2)(a.2)	Section 3.3.3.5.5, and Section 4.2.3.4 of the <i>Oil Sands Royalty Guidelines</i>
11. Application includes a listing of the kinds of oil sands products to be recovered by the Project	OSRR09 section 10(2)(b)	Section 2.3.6.2, Section 3.3.3.5.5 of the <i>Oil Sands Royalty Guidelines</i>
12. Application includes: <ul style="list-style-type: none"> (i) A description of the physical location of the Royalty Calculation Point (RCP) (ii) The type of measurement devices located at the RCP (iii) The expected accuracy of measurement of project substances at the RCP (iv) any other important information about the measurement devices 	OSRR09 section 10(2)(d)	Sections 3.3.3.5.5 and 4.1 of the <i>Oil Sands Royalty Guidelines</i>
13. For capital assets and engineering systems the application includes: <ul style="list-style-type: none"> (i) a detailed description of the capital assets and engineering systems proposed to be included in the Project based on meeting or exceeding the Project use threshold (PUT) of 75% (ii) the Project use of each of the capital assets and engineering systems proposed to be included in the Project based on sound engineering practice 	OSRR09 sections 10(2)(c), 10(2.1) and 10(2.2)	Sections 2.3.8 and 5.1 of the <i>Oil Sands Royalty Guidelines</i>

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<ul style="list-style-type: none"> (iii) location of capital assets and engineering systems proposed to be included in the Project (iv) proposed allocation of costs of the capital assets and engineering systems proposed to be included in the Project (v) the regulatory approvals and/or license for the capital asset and/or engineering system (vi) the steady state throughput (normal operating mode) and capacity (design basis) of each capital assets and engineering systems proposed to be included in the Project 		
<p>14. For measured use assets the application includes:</p> <ul style="list-style-type: none"> (i) a description of any measured use assets that support the Project, but are not proposed to be included in the Project (does not meet PUT) (ii) a proposed allocation of costs for each measured use asset (iii) the steady state throughput (normal operating mode) and capacity (design basis) of each measured use asset that supports the Project (iv) the Project use of the measured use assets that support the Project as a percentage of the total use of the measured use assets for all purposes (v) a description of all key measurement devices expected to be used for all measured use systems. A description should include the physical description of the measurement devices, their physical location, the expected accuracy of the devices, and any other important information about the measurement devices. 	OSRR09 sections 10(2)(c.1), 10(2.1) and 10(2.2)	Sections 2.3.8, 3.3.3.5.5, and 5.1 of the <i>Oil Sands Royalty Guidelines</i>
<p>15. Application includes:</p> <ul style="list-style-type: none"> (i) a description of all other assets expected to be of material relevance to the Project (e.g. CPFs, batteries, pipelines, roads, source water wells & infrastructure, disposal wells, power generation and transmission facilities, water treatment facilities, storage & tankage facilities, product transportation facilities, 	OSRR09 section 10(2)(d)	Section 2.3.8 of the <i>Oil Sands Royalty Guidelines</i>

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<ul style="list-style-type: none"> (ii) steam generation facilities, camp facilities, office facilities, maintenance facilities, gravel pits, landfills, airstrips, parking lots etc.) the regulatory approvals/licenses of any assets/facilities to be included in the proposed Project (iii) the steady state throughput or capacity for each component, asset and/or facility to be included in the proposed Project (iv) the Project use threshold for each component, asset and/or facility to be included in the proposed Project 		
<p>16. Application includes a Class 3 Estimate if the application for a Project includes new processing plant(s) or modifications to the existing one(s) with estimated capital cost of \$50 million or more</p>	OSRR09 section 10(2)(d.1)	Section 3.3.3.5.7 of the <i>Oil Sands Royalty Guidelines</i>
<p>17. Application includes:</p> <ul style="list-style-type: none"> (i) a description of the area and strata from which oil sands or oil sands products will be recovered by the Project (ii) a description of the surface areas occupied by the project (iii) key reservoir/deposit properties such as area, average net pay, porosity, oil saturation, approximate gross OBIP, depth, temperature, pressure, permeability (iv) key bitumen properties such viscosity, API, TAN and sulphur content 	OSRR09 section 10(2)(e)	Section 2.3.7 of the <i>Oil Sands Royalty Guidelines</i>
<p>18. Application includes:</p> <ul style="list-style-type: none"> (i) a listing and description of any non-arm's length transactions expected to occur for the supply of any capital assets, engineering systems, goods or services for the Project (ii) a listing and description of any non-arm's length transactions expected to occur for the supply of any capital assets, engineering systems, goods or services produced or generated pursuant to the Project, other than for the purposes of the Project 	OSRR09 section 10(2)(f)	Section 6 of the <i>Oil Sands Royalty Guidelines</i>
<p>19. Application includes the proposed effective date of the Project</p>	OSRR09 section 10(2)(g)	Section 2.3.10 of the <i>Oil Sands Royalty Guidelines</i>

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<p>20. Application includes a proposed calculation of the prior net cumulative balance (“PNCB”) for the Project</p> <ul style="list-style-type: none"> (i) The PNCB calculation is limited to costs incurred and revenue generated within five years prior to the Project’s proposed effective date. Costs incurred or revenue generated more than five years before the Project’s proposed effective date are not eligible for inclusion in PNCB calculations (ii) PNCB calculations must be prepared using the current version of the PNCB forms, located on the Department’s website (iii) Costs and revenues included in the PNCB calculation must be supported by authorizations for expenditure (AFEs) or comparable budgetary approval documents and invoice numbers. Relevant AFEs must be submitted as part of the Project application. (iv) Application must include an electronic transaction listing of capital and operating expenses claimed that reconciles with the total amounts claimed on the PNCB. 	OSRR09 section 10(2)(h)	Section 2.3.11 and section 3.3.3.5.8 of the <i>Oil Sands Royalty Guidelines</i>
<p>21. Application includes an economic evaluation for the Project.</p> <ul style="list-style-type: none"> (i) The economic evaluation must be prepared using the current version of the Economic Evaluation form, located on the Department’s website 	OSRR09 section 11(1)(e)	Section 2.2.3.3 and Sections 3.3.3.5.9 of the <i>Oil Sands Royalty Guidelines</i>

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<p>22. A complete application must be signed by an authorized officer of the lessee of the proposed Project and include the text below:</p> <p>Required Text for Signature Lines</p> <p>We confirm the preceding information to be accurate and consent to provide the Department with access to all records relating to any physical or financial component necessary to verify the project's prior net cumulative balance. We agree to abide by the provisions of the <i>Oil Sands Royalty Regulation, 2009</i> (AR 223/2008), and associated Ministerial regulations.</p> <p>We understand that it is our responsibility to report to the Department any changes made to the project, and that these changes may require an application to amend the oil sands royalty project approval for continued application of the provisions of the <i>Oil Sands Royalty Regulation, 2009</i> (AR 223/2008).</p> <table border="0" data-bbox="240 741 1336 951"> <thead> <tr> <th data-bbox="240 741 487 772">Authorized Officer</th> <th data-bbox="824 741 1336 772">Person Who Completed the Application</th> </tr> </thead> <tbody> <tr> <td data-bbox="240 800 748 831">Name _____</td> <td data-bbox="824 800 1317 831">Name _____</td> </tr> <tr> <td data-bbox="240 858 748 890">Signature _____</td> <td data-bbox="824 858 1317 890">Signature _____</td> </tr> <tr> <td data-bbox="240 917 748 949">Position _____</td> <td data-bbox="824 917 1317 949">Position _____</td> </tr> </tbody> </table>			Authorized Officer	Person Who Completed the Application	Name _____	Name _____	Signature _____	Signature _____	Position _____	Position _____
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<p>Questions? Contact:</p> <p>OSR Project Applications Oil Sands, Coal and Mineral Operations Branch Department of Energy and Minerals 6th Floor North Petroleum Plaza 9945 108 Street Edmonton, AB T5K 2G6 OSRAApplications.Energy@gov.ab.ca</p>										