

## INFORMATIONAL NOTICE 11- 01

January 5, 2011

### Fee Changes

Effective January 1, 2011 the Petroleum Branch has changed the fee structures related to certain applications under The Oil and Gas Act (“the Act”). Increases have been made to fees for well transfer applications, well licence applications, battery operating permits and geophysical licenses. New fees have been introduced for EOR applications, salt water disposal applications and applications to vary the size of spacing units.

The fee increases, the first since 2001, will help offset the increased cost of processing applications under the Act. In 2010, the Branch issued a record 632 well licences and approved over 1600 other applications.

The new Schedule A of the Drilling and Production Regulation will be as follows:

#### SCHEDULE A

##### Schedule of Fees and Levies

1. The fee for an application to change the name of one or more wells is \$250.

1.1 The fee and levy to be submitted along with an application to transfer a well licence is \$250 for each well licence, comprised of the following:

(a) fee: \$200 per well licence;

(b) levy for the Abandonment Fund Reserve Account:  
\$50. per well licence.

2. The fee and levy to be submitted with an application for a well licence is \$1000, comprised of the following:

(a) fee: \$750.,

(b) levy for the Abandonment Fund Reserve Account: \$250.

3. The annual non-refundable levy for the Abandonment Fund Reserve Account for the following classes of wells and batteries is as follows:

- (a) Class 1 .....\$150 per well;
- (b) Class 2 .....\$500 per well;
- (c) Class 3 .....\$1000 per well;
- (d) Class 4 .....\$500 per battery.

3.1 The penalty for failure to pay the non-refundable levy by the date set out in subsection 54(5) is 25% of the levy set out in Item 3. if the levy is paid before October 31 of that year, and 50% of the levy if payment is received after October 31 of that year.

4. The fee and levy to be submitted with an application for a Battery Operating Permit is \$1000, comprised of the following:

- (a) fee: \$750,
- (b) levy for the Abandonment Fund Reserve Account: \$250.

5. The fee to be submitted with an application to vary the size and shape of a spacing unit is \$2,000.

6. The fee to be submitted with an application for a salt water disposal permit is \$200.

7. The fee to be submitted with an application for the approval of a project of enhanced recovery is \$2000.

Subsection 2(1)a of the Geophysical Regulation has been replaced with the following:

**Application for geophysical licence**

2(1) An application under subsection 84(2) of the Act for a geophysical licence shall be made to the director on a form provided by or acceptable to the director and shall include the following:

- a. a fee and levy of \$300, consisting of an application fee of \$250 and a levy of \$50 for deposit in the Abandonment Fund Reserve Account;

Keith Lowdon, Director