

ALBERTA OIL SANDS TENURE GUIDELINES
June 6, 2003

Escalating Rent Offsetting Costs										
Lease Number	7485070001									
Continuation Date	July 7, 2000									
	2001 (Year 1)	2002 (Year 2)	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Sections (or partials)	36									
Hectares	9,216									
Total Production (m ³ /year)	86,399									
MPL Required (m ³ /year)	86,400									
Producing Designation	Non-producing									
Area A or Area B	A									
Escalating Rent Rate (\$/ha)	3.00									
Escalating Rent Calculated	\$27,648									
Requested Cost Offsets										
Cost 1 Amount	\$15,000									
Less: Cost Recovery	(\$1,000)									
Audit Reference	AFE 0105123									
Type (R, E, D)	Research									
If Research, Project Year	Year 3									
Cost 2 Amount	\$5,000									
Less: Cost Recovery	\$0									
Audit Reference	AFE 0105124									
Type (R, E, D)	Exploration									
If Research, Project Year										
Cost 3 Amount	\$2,000									
Less: Cost Recovery	\$0									
Audit Reference	AFE 0105125									
Type (R, E, D)	Development									
If Research, Project Year										
Cost 4 Amount										
Less: Cost Recovery										
Audit Reference										
Type (R, E, D)										
If Research, Project Year										
Total Cost Offset	\$21,000									
Escalating Rent Payable	\$6,648									
Note: Pre-approvals and Registration of Allocated Research or Development Expenditures forms must be attached.										
Descriptions:										
	Cost 1: Tailings research; reduced by \$1,000 grant from ARC.									
	Cost 2: Shoot 1km. of seismic.									
	Cost 3: EUB application.									
	Cost 4:									

example