

January 24, 2017

INFORMATION LETTER 2017-03

**Subject: Petroleum Royalty Regulation, 2009 (A.R. 222/2008) -
Par Prices for March 2017 Production Month**

This Information Letter provides the Crude Oil Category and Density, and the various prices for oil necessary to determine the royalty volume payable to the Crown.

Category of Crude Oil	Density	March 2017 Par Prices \$/M ³
Light Oil	less than 850 kilograms per cubic metre	\$392.63
Medium Oil	greater than or equal to 850 kilograms per cubic metre and less than 900 kilograms per cubic metre	\$356.97
Heavy Oil	greater than or equal 900 kilograms per cubic metre and less than 925 kilograms per cubic metre	\$330.45
Ultra Heavy Oil	greater than or equal to 925 kilograms per cubic metre	\$284.72

Crude Oil Calculation Data

This information is also available on the Internet at <http://www.energy.alberta.ca/>
– Information Letters.

For further information please contact:

Terry Rayne
Director, Pricing and Analysis
Petroleum Marketing and Valuation
300, 801 – 6th Avenue S.W.
Calgary, Alberta T2P 3W2
Phone: (403) 297-5467

Authorized by: Salim Merali
Executive Director
Royalty Operations

Attachments: Pages 2 - 3

CALCULATION OF OIL PAR PRICES

Light for March 2017	(C\$/m³)
February Contract Month Edmonton Benchmark (based on market indices at Edmonton)	416.45
Minus: Field Transportation Cost to Edmonton	13.32
Plus: Field Quality Adjustment	-10.50
Light Par Price	392.63

Medium for March 2017	(C\$/m³)
February Contract Month Edmonton Benchmark (based on market indices at Edmonton)	391.34
Minus: Field Transportation Cost to Edmonton	16.69
Plus: Field Quality Adjustment	-17.68
Medium Par Price	356.97

Heavy for March 2017	(C\$/m³)
February Contract Month Hardisty Benchmark (based on market indices at Hardisty)	324.37
Minus: Field Transportation Cost to Hardisty	17.99
Plus: Field Quality Adjustment	24.07
Heavy Par Price	330.45

Ultra-Heavy for March 2017	(C\$/m³)
February Contract Month Hardisty Benchmark (based on market indices at Hardisty)	324.37
Minus: Field Transportation Cost to Hardisty	11.92
Plus: Field Quality Adjustment	-27.73
Ultra-Heavy Par Price	284.72

Attachment to Information Letter 2017-03

CRUDE OIL ROYALTY CALCULATION DATA TABLE

MONTH	2017 PAR PRICES \$/M ³			
	Light	Medium	Heavy	Ultra Heavy
January	333.79	291.94	260.98	222.69
February	363.60	313.30	297.21	254.66
March	392.63	356.97	330.45	284.72
April				
May				
June				
July				
August				
September				
October				
November				
December				