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RE-CAP is a frequent newsletter for CAPPa — (403) 265-1533 — [cappacom@telus.net](mailto:cappacom@telus.net)

## **PRESIDENT'S REPORT**

It has been a busy fall in the CAPPa world with our Annual General Meeting, a new CAPPa Board, a wonderful conference and our all day planning session. We have been busy but we could be doing a better job of informing you, our members, what is up. As you will see in the following articles we are trying to get you caught up on what is going on with CAPPa and the craft of Production Accounting.

The Board has created some sub-committees to help us improve communications and meet your information needs. The results of this work will be announced early in the New Year.

At our conference this year we took a bit of a gamble in replacing the morning breakout sessions with a panel discussion to talk about Production Accounting Standard development for various functions in our day-to-day desks. From your feedback, it was very well-received and the panel members provided many interesting comments on the need for standardization. The panel and your questions are the easy part as the next steps for CAPPa will be setting up a process for selecting, writing, vetting and implementing standards. This is where we will need your help. Should any of our members like to work on these standards documents, please contact the CAPPa office to have your name added to the list. Our target is to have a process for developing standards and a priority list of standards we want to develop by the end of February 2008.

This past week I had the opportunity to speak on behalf of CAPPa to the IMG (Industry Measurement Group) regarding the need for working with the operations and measurement staff to improve the bottom lines our companies. There is a real interest in assisting in what ever way they can to help us meet our goals for setting standards. The IMG has many standards they have published and work with governments to gain acceptance. I asked the group "What would they be without measurement standards?" Their answer was "sub-standard"! We have a lot of work to complete to compile these PA standards and with a little bit of help from many, you will be amazed how far we can go.

I look forward to seeing you at our Volunteer Appreciation Luncheon in December at which time the association will thank its many volunteers. Be safe.

Earl Quantz, President



## EVENTS REPORT

Following this year's nominations to the Board, Sean Nicholson of Fairborne Energy Trust is now Director of Events and Lynda Sweet of Rife Resources is Director at Large, chairing both the 2008 golf tournament and curling funspiel. Welcome to the Board Sean and Lynda!

### GOLF

CAPPA/PASC had its most successful joint golf tournament to date on June 4<sup>th</sup> at the Inglewood Golf Club. Due to the many generous sponsors and participants the tournament raised **\$13,472.22** for the Providence Children's Centre. A huge round of applause to our 2007 Golf Sponsors!

#### Accessories West

AltaGas Ltd.

ARC Resources

BaseCorp

CCS Midstream Services

CGI Group

Claudette Shaw

Critical Control

David Aplin Recruiting

Elle Golf

Enerplus Resources

#### Gentry Resources

Inteqna

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Joint Venture Mgmt Inc.

K&W Audio

Matrikon

Nexen

OAS

P2 Energy Solutions

Pandell Technology

Paramount Resources

#### PASC

Petroaudit

Petroleum Registry

Pengrowth Corporation

Petro-Tech Printing

Quorum Business Solutions

Rife Resources

Seaway Construction

Sportline Marketing

Summit Search Group

zed.i.solutions

A great time was had by all and sincere thanks go to the volunteer committee who spent many hours putting together the tournament. CAPPA would like to sincerely thank Michelle Coleman, Claudette Shaw, Lynda Sweet, Jody McEwen, Cam Smith, Tracie Noble, Mark Rampaul, and Leigh-Anne Bryant.

Our 2008 golf tournament is scheduled for Wednesday, June 4<sup>th</sup> at the Woodside Golf Club in Airdrie. Watch for more details next year.

### CURLING

The 2008 Curling Funspiel will be held at the Inglewood Curling Club on Friday, February 22<sup>nd</sup>, 2008. Details regarding fees, time, etc. will follow early in the New Year.

### NOVEMBER 22<sup>nd</sup> CAPPA LUNCHEON

Our next association luncheon is on Thursday, November 22<sup>nd</sup> in the Alberta Room at the Palliser Hotel. Yogi Schulz will be speaking on "The Internet Isn't What It Used To Be" and it promises to be a lively and enlightening presentation. Registration by email or on our website.

### VOLUNTEER APPRECIATION LUNCHEON

Please join us on Tuesday, December 18<sup>th</sup> at the Palliser Hotel to thank our many volunteers for the past year, without whom CAPPA would not be able to present all of its events and programs. There will be a delicious lunch served and a national comedian as entertainment. Member fee \$31.80 and non-member \$37.10. You can register online at [www.cappa.org](http://www.cappa.org)

## 2007 CONFERENCE REVIEW

The 2007 CAPP Conference, "CSI: PA - Constantly Seeking Information", is past. Delegates were presented with a panel discussion that highlighted the benefits of standardization to achieve greater accuracy and efficiency in the production accounting process. Informative breakout sessions on the Petroleum Registry, Freehold Mineral Tax system, gas measurement challenges and the importance of metering schematics were show-cased.

We were also entertained and challenged to "Get Your Heart in the Game", find the "Champion Within" and consider the impact of the "Leisure Economy" on the work force with Tammy Robertson, Cary Mullen, and Linda Nazareth. The day culminated with a networking reception featuring a variety of sumptuous food and beverages and lovely music from the baby grand piano.

Many thanks to the presenters, booth exhibitors and the organizing committee who generously gave of their time to provide an entertaining and informative program. We also wish to acknowledge the Roundup Centre staff and their Event Coordinator, Caroline Forsyth, for providing top-notch service.

We look forward to seeing you all again next year!

Michelle Coleman, CAPP Secretary

### 2007 Conference Presenters, Booth Exhibitors and Committee

#### Presenters

Al McCue  
Mark Flynn  
Howard Gallimore  
Wendy French  
Kevin Boyce  
Yogi Schulz  
Ken Flesher  
Brenda Curle  
Andrew Rau & Bob Gray  
Wally Goeres & Ross Weaver  
Maureen Evers-Dakers

#### Booth Exhibitors

Alberta Department of Energy  
BC Ministry of Small Business and Revenue  
The Petroleum Registry of Alberta  
Indian Oil and Gas Canada  
SAIT Polytechnic  
Mount Royal College

#### Organizing Committee

Bill Nash  
Carla Ruzicki  
Denise Dean  
Earl Quantz  
Gisella Castillo  
Joan Waters  
Joan Wasilciw  
Laura Collins  
Lindsay Fuleki  
Lynn Spicer  
Maureen Reece  
Mike Magnusson  
Oscar Breton  
Rhoda Esmilio  
Ron Catchick  
Sean Nicholson  
Teresa Cuzzani

As always, the overwhelming support of our sponsors is critical to our success!

We gratefully thank the following sponsors:

**Accountemps**

**CNRL**

**Capital Executive**

**CCS Energy Services**

**CGI Group**

**ConocoPhillips**

**Critical Control**

**Devon Canada**

**EnCana Corporation**

**Inteqna**

**OAS**

**P2 Energy Solutions**

**Petro Canada**

**Petro-Tech Printing**

**Sportline Marketing**

**Tidal Energy Marketing**

## CORPORATE RELATIONS REPORT

As the Corporate Relations Director, it is my role to discover a topic of interest that will attract CAPPAs members to our monthly luncheons, find a speaker who would provide insight on the topic and then commit that speaker to present to our members. The 2006/2007 season provided an opportunity to create a mix of pertinent topics that hopefully achieved the result of apt and meaningful speakers on a monthly basis. I have committed to continuing in this role for the 2007/2008 season with a few additional responsibilities.

Of note, CAPPAs Board of Directors has decided to implement a Communications committee to more effectively advise and execute a communication strategy in order to better apprise its' members and various stakeholders of our roles as Production Accountants (PAs). Its mandate would include a publication schedule for RE-CAP, a review and plan for the CAPPAs website, along with the opportunity to create a strategy for increasing the networking opportunities for PAs. I will endeavour to improve CAPPAs communications to its members and to publish the RE-CAP and luncheon notices on a timelier basis.

Future topics for this season's luncheons include the new e-FMT implementation, a presentation of responses to the queries received at the 2007 Conference Panel Discussion and a presentation on the new Alberta Royalty regime. I am confident there will be a topic of interest to you.

I thank you for the opportunity of continuing in this role, and please introduce yourself at any future luncheon event so that I may garner your thoughts on what CAPPAs can do for you.

Joseph Walsh  
Director, Corporate Relations

## GOVERNMENT LIAISON & EMERGING ISSUES REPORT

This year for production accountants has been another interesting one with the usual number of changes to our business. Following are some of the issues and developments in the industry that your GLEI Committee is involved in through participation in various industry committees.

### **Alberta Oil Royalties**

The first few months of penalties for Alberta oil royalties have been completed. Your GLEI representative attended a meeting November 15 with the DOE and some industry representatives.

Topics of discussion included:

- how to improve our communication with the DOE so that both the DOE and industry can react to changes like this in a more timely manner. Use of the Recap, the Registry bulletin board and town hall type meetings were all discussed. A team will be set up with representatives from industry and the DOE to try to improve our communication.
- the Registry Industry Benefits Team is in the process of building a report which identifies changes to royalty attributes for use as a tool in preventing these penalties, which can be very punitive. Target date is early 2008. Keep an eye on the Registry bulletin board for details as this functionality becomes available.
- Discussion about the oil royalty waiver and appeal process and potential improvements. One clear message from the DOE was if in doubt do not hesitate to appeal.
- Forecast penalties. The DOE is discussing possible penalties on oil forecasting. They have not made a decision at this time. The DOE is in the process of building a report to show companies their recent history of forecast versus actual royalty deliveries. The DOE will keep us informed as they progress this issue.

### **Alberta Freehold Mineral Tax**

The Alberta Department of Energy implemented its automated system for industry access to Freehold Mineral Tax information. The WEB-based Industry Interface will allow industry to access information about their producing freehold properties, file product unit values, receive electronic tax statements and transfer responsibility for tax reporting and payment.

If you administer the freehold mineral tax on your freehold properties, we invite you to take the comprehensive on-line FMT Industry Interface training on our Department of Energy website.

Register for on-line training at <http://training.energy.gov.ab.ca> then go to Knowledge Resources to access FMT training program. Hands-on training sessions for freehold tax accountants will be held in Calgary from November 2007 to January 2008. For additional information or to register for hands-on training call 780-427-6000 (310-0000 toll free in Alberta) or e-mail [mintax.energy@gov.ab.ca](mailto:mintax.energy@gov.ab.ca). Brenda Curle, CMA

Manager, Freehold Mineral Tax, Alberta Department of Energy

### **Saskatchewan**

CAPPA has been asked to assist in arranging an industry session for the Saskatchewan government to discuss common reporting issues. Pending review and approval of the new government in Saskatchewan, this session is targeted for some time early in 2008.

### **British Columbia**

The GLEI committee hosted a small joint session with representation from producers and the BC Government to review upcoming changes to the reporting of errors on the BC S1 and S2 forms. BC is continuing to evaluate options regarding potential changes to production and royalty reporting; possibly on the Registry or on some development of their own.

### **Alberta Royalty Review**

The GLEI committee will continue to work with the Alberta government in the new year as changes to the royalty regime as a result of the recent royalty review announcements become more clear. We will keep you informed of progress regarding the changes required

Our Committee will attempt to keep our membership informed either through the RE-CAP or via issue specific e-mails on all of these topics as more information becomes available. Please feel free to contact me with any issues or ideas you would like your GLEI Committee to address.

Jim Henderson

Director, Government Liaison & Emerging Issues

## **EDUCATION REPORT**

I would like to begin by thanking Earl Quantz, currently President of CAPPA, who recruited me four years ago to the Education Committee. A year later, I became Education Director. I didn't know at the time the challenges I would face or how rewarding the position would be. I would also like to thank the Board of Directors for their continued support and encouragement; Norbert Czypionka for his assistance with the most recent major re-write of our course notes; and lastly, my employer, CNRL and especially my manager, Lorie Walter, for their support of CAPPA and their belief in the importance of ongoing education.

CAPPA is in its second year providing the new Level 5 modules and because of some brave students who piloted the project we received some very constructive feedback. This level is very different from when it first rolled out. Most notably, we have gone from one case study to seven, which includes a three-well gas battery and a prorated oil battery.

The case studies were designed to give students some experience without having to work in the industry. The students are more prepared to "hit the ground running" and therefore need less on-the-job training. The feedback from companies that have employed Level 5 students has been very positive.

Obviously, the benefits are apparent: an introduction to financial accounting, accounts receivable reconciliations, revenue accounting, improved analytical skills, and familiarity with the full production cycle from the start of the month to booking revenue and royalties. In other words, addressing many of the production accounting concerns of the industry.

CAPPA also offers an Oil & Gas Primer that addresses some of the same topics as Level 1, but without the detail of production accounting. It is a great course for people new to the oil and gas industry and it is an excellent tool for those who may not be sure in which discipline they would like to work. In the Primer, we introduce all of the asset management careers such as Land, Engineering, Joint Venture, etc. This course is offered through CAPPA's website and is completed online for \$300+GST and the passing grade is 70%.

I appreciate the dedication from the hard-working members of the education committee. Thank you for your commitment to the program! It takes a certain kind of person to volunteer for a committee as diverse as this and I can't say enough about their efforts, excellent ideas and devotion to the future of the next production accountants.

Cheryl Mahoney  
Education Director

## MEMBER SERVICES – GENERAL SURVEY RESULTS

Total number of respondents - 272

### ***Overall Rating of CAPPA:***

#### CAPPA member for less than one year

Very satisfied	31.7%
Satisfied	68.3%
Dissatisfied	0.0%

#### Member for 1-5 years

Very satisfied	21.2%
Satisfied	76.8%
Dissatisfied	2.0%

#### Member for 6-10 years

Very satisfied	16.7%
Satisfied	50.0%
Dissatisfied	3.0%

#### Member for over 10 years

Very satisfied	100%
Satisfied	0.0%
Dissatisfied	0.0%

### ***Rate each of the following:***

#### **CONFERENCE**

*(asked prior to the 2007 conference)*

Excellent	42.6%
Good	49.5%
Fair	6.4%
Poor	1.5%

#### **RE-CAP**

Excellent	17.6%
Good	72.4%
Fair	9.6%
Poor	0.4%

#### **GOLF TOURNAMENT**

Excellent	30.5%
Good	57.6%
Fair	8.5%
Poor	3.4%

#### **CURLING FUNSPIEL**

Excellent	13.2%
Good	68.4%
Fair	18.4%
Poor	0.0%

#### **LUNCHEONS**

Excellent	21.3%
Good	62.2%
Fair	15.9%
Poor	0.6%

### ***Reason for joining association?***

#### CAPPA member for less than one year

Education Programs	81.7%
Networking	30.0%
Conference	23.3%
Monthly Luncheons	8.3%
Member Benefits	10.0%
Publications	13.3%

#### Member for 1-5 years

Education Programs	63.6%
Networking	55.6%
Conference	38.4%
Monthly Luncheons	24.2%
Member Benefits	18.2%
Publications	17.2%
Job Board	3.0%

#### Member for 6-10 years

Networking	42.4%
Education Programs	40.9%
Conference	30.3%
Monthly Luncheons	28.8%
Publications	19.7%
Member Benefits	7.6%

#### Member for over 10 years

Education Programs	36.2%
Monthly Luncheons	23.4%
Conference	23.4%
Publications	12.8%
Networking	0%
Member Benefits	0%

***How reasonable are the membership dues?***

Very Reasonable	25.8%
Reasonable	64.4%
Unreasonable	8.3%
Very Unreasonable	1.5%

***How likely are you to recommend membership to someone else?***

Very Likely	46.0%
Somewhat Likely	39.3%
Not sure	11.4%
Somewhat Unlikely	0.0%
Very Unlikely	3.3%

***Would you consider attending?***

Job Fair	94.1%
SK Day Conference	29.4%
BC Day Conference	27.2%

***Which age category applies to you?***

Under 25	1.5%
25 – 30	14.0%
31 – 35	13.25%
36 – 40	15.8%
41 – 45	16.9%
46 – 50	25.7%
51 – 55	8.1%
Over 55	4.8%

Watch for an updated general member survey and salary survey next year. Your input is valuable and we appreciate your time in taking the surveys. Suggestions for improvement are always welcome – this is YOUR association and we want to ensure we are meeting your needs.

**NOVEMBER**

**2007**

Monday	Tuesday	Wednesday	Thursday	Friday
			1 Education Committee Meeting	2
5	6 Conference Committee Meeting	7 Board Meeting	8	9
12	13	14 Communications Committee Meeting	15	16
19	20	21	22 ASSOCIATION LUNCHEON	23
26	27	28	29 Government Liaison Committee Meeting	30

**DECEMBER**

**2007**

Monday	Tuesday	Wednesday	Thursday	Friday
3	4	5 Board Meeting	6 Education Committee Meeting	7
10	11	12	13	14
17 Government Liaison Committee Meeting	18 VOLUNTEER APPRECIATION LUNCHEON	19	20	21
24 CHRISTMAS EVE - closed -	25 CHRISTMAS DAY - closed -	26 BOXING DAY - closed -	27	28
31				



**JANUARY**

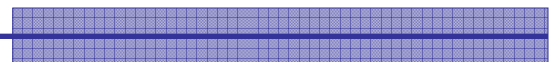
**2008**

<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>
	<b>1</b> <b>NEW YEAR'S DAY</b> - closed -	<b>2</b>	<b>3</b> <b>Education</b> <b>Committee Meeting</b>	<b>4</b>
<b>7</b>	<b>8</b> <b>Conference</b> <b>Committee Meeting</b>	<b>9</b> <b>Board Meeting</b>	<b>10</b>	<b>11</b>
<b>14</b>	<b>15</b>	<b>16</b>	<b>17</b> <b>Golf</b> <b>Committee Meeting</b>	<b>18</b>
<b>21</b>	<b>22</b> <b>ASSOCIATION</b> <b>LUNCHEON</b>	<b>23</b>	<b>24</b>	<b>25</b>
<b>28</b> <b>Government Liaison</b> <b>Committee Meeting</b>	<b>29</b>	<b>30</b>	<b>31</b>	

**FEBRUARY**

**2008**

<b>Monday</b>	<b>Tuesday</b>	<b>Wednesday</b>	<b>Thursday</b>	<b>Friday</b>
				<b>1</b>
<b>4</b>	<b>5</b>	<b>6</b> <b>Board Meeting</b>	<b>7</b> <b>Education</b> <b>Committee Meeting</b>	<b>8</b>
<b>11</b>	<b>12</b> <b>Conference</b> <b>Committee Meeting</b>	<b>13</b>	<b>14</b> <b>Golf</b> <b>Committee Meeting</b>	<b>15</b>
<b>18</b> <b>FAMILY DAY</b> - closed -	<b>19</b>	<b>20</b> <b>ASSOCIATION</b> <b>LUNCHEON</b>	<b>21</b>	<b>22</b> <b>CURLING</b> <b>FUNSPIEL</b>
<b>25</b> <b>Government Liaison</b> <b>Committee Meeting</b>	<b>26</b>	<b>27</b>	<b>28</b>	<b>29</b>



**CAPPA**

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Petroleum Production  
Accounting

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**CAPPA is on  
the web!**

**www.cappa.org**

**CAPPA 2008 Officers & Directors**

**2008 Officers**

**President** ..... Earl Quantz..... Earl Quantz Consulting..... 710-7722  
**Past President** ..... Claudette Shaw ..... Gentry Resources..... 781-7327  
**Vice-President** ..... Alan Davis ..... NAL Resources ..... 515-3408  
**Secretary** ..... Michelle Coleman ..... Rock Energy ..... 218-4348  
**Treasurer** ..... Yvonne Brown ..... CNRL..... 386-5668

**2008 Directors**

**Government Liaison  
& Emerging Issues** ..... Jim Henderson ..... Pengrowth Corporation..... 213-3655  
**Events** ..... Sean Nicholson ..... Fairborne Energy Trust..... 290-3225  
**Education** ..... Cheryl Mahoney ..... CNRL..... 386-6485  
**Member Services** ..... Pamela Edwards .... CCS Energy Services..... 213-1117  
**Corporate Relations** ..... Joseph Walsh..... Independent..... 270-8375  
**Director at Large** ..... Lynda Sweet ..... Rife Resources ..... 221-0827  
**Director at Large** ..... Denyce Lundeen .... Gas & Oil Accounting ..... 234-9202

**Upcoming Publication Dates**

**Luncheon Dates:** ..... November 22, December 18, January 22

**Article Submission Dates:** ...Anytime

**RE-CAP Email Date:** ..... November 16

*Please Print*

**Roster Change**

Name: \_\_\_\_\_ Office  Home

Title: \_\_\_\_\_ Company: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_ Prov: \_\_\_\_\_ PC: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_

To be announced in next ReCap

Roster list only

**Please fax to CAPPA at (403) 264-2644**