Modernized Royalty Framework: Formulas Butane (extracted and in stream component) For wells spud on or after January 1, 2017

R% = Price Component (r_p) + Quantity Adjustment (r_q)

R% has a minimum of 5% and maximum of 36%

Royalty Parameters			
	Price (C\$/m³)	% Change (%/\$/m³)	
P1	176.19	0.10130%	
P2	286.31	0.05540%	
P3	506.55	0.03130%	

Price Component (r _p)			
Price (\$/m³)	r _p		
PP<=176.19	10%		
176.19 <pp<=286.31< td=""><td>((PP-176.19)*0.00101+0.10000)*100</td></pp<=286.31<>	((PP-176.19)*0.00101+0.10000)*100		
286.31 <pp<=506.55< td=""><td>((PP-286.31)*0.00055+0.21155)*100</td></pp<=506.55<>	((PP-286.31)*0.00055+0.21155)*100		
PP>506.55	((PP-506.55)*0.00031+0.33356)*100		
Maximum	36%		

Maturity Threshold				
	Q	% Change		
Q oil equivalent volumes	194.0 (m ³ e/month)	0.1350% (%/m ³ e/month)		
Quantity Adjustment (oil equivalent volume)				
Quantity (m³e/month)	r _q			
Q >=194.0	0%			
Q <194.0	(Q-194.0)*0.1350%			
Note: Quantity is calculated at a well level, where m³e/month = m³ equivalent per month.				
Note: r _q is 0 or negative				

A well will pay 5% royalty rate until revenue equals $C^*(\$)$. R% applies once a well's revenues exceed C^* (post- C^* phase). The minimum royalty rate in the post- C^* phase is 5%.