Modernized Royalty Framework: Formulas
Propane (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$/m^3)	% Change (%/$/m^3)
P1	88.10	0.20250%
P2	143.16	0.11130%
P3	253.28	0.05900%

Price Component (r_p)	
Price ($/m^3)	**r_p**
PP<=88.10	10%
88.10<PP<=143.16	((PP-88.10)*0.00202+0.10000)*100
143.16<PP<=253.28	((PP-143.16)*0.00111+0.21150)*100
PP>253.28	((PP-253.28)*0.00059+0.33406)*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 (m^{3}e/month)	**r_q**	
Q >=194.0	0%	
Q <194.0	(Q-194.0)*0.1350%	
Note: Quantity is calculated at a well level, where m^{3}e/month = m^3 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%.