

October 24, 2018

INFORMATION LETTER 2018-35

Subject: Petroleum Royalty Regulation, 2009 (A.R. 222/2008) and 2017 (212/2016)
- Par Prices for December 2018 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	December 2018 Par Prices \$/M ³
Light Oil	less than 850 kilograms per cubic metre	\$345.09
Medium Oil	greater than or equal to 850 kilograms per cubic metre and less than 900 kilograms per cubic metre	\$297.09
Heavy Oil	greater than or equal 900 kilograms per cubic metre and less than 925 kilograms per cubic metre	\$224.34
Ultra Heavy Oil	greater than or equal to 925 kilograms per cubic metre	\$167.36

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 December 2018	(C\$/m³)
November Contract Month Edmonton Benchmark (based on market indices at Edmonton)	370.27
Minus: Field Transportation Cost to Edmonton	15.69
Plus: Field Quality Adjustment	-9.49
Light Par Price	345.09

Medium for December 2018	(C\$/m³)
November Contract Month Edmonton Benchmark (based on market indices at Edmonton)	329.49
Minus: Field Transportation Cost to Edmonton	18.79
Plus: Field Quality Adjustment	-13.61
Medium Par Price	297.09

Heavy for December 2018	(C\$/m³)
November Contract Month Hardisty Benchmark (based on market indices at Hardisty)	215.31
Minus: Field Transportation Cost to Hardisty	15.96
Plus: Field Quality Adjustment	24.99
Heavy Par Price	224.34

Ultra-Heavy for December 2018	(C\$/m³)
November Contract Month Hardisty Benchmark (based on market indices at Hardisty)	215.31
Minus: Field Transportation Cost to Hardisty	12.57
Plus: Field Quality Adjustment	-35.38
Ultra-Heavy Par Price	167.36

Attachment to Information Letter 2018-35

CRUDE OIL ROYALTY CALCULATION DATA TABLE

MONTH	2018 PAR PRICES \$/M ³			
	Light	Medium	Heavy	Ultra Heavy
January	408.15	366.38	325.73	291.85
February	403.29	337.70	287.62	256.55
March	402.92	347.65	291.40	259.74
April	411.58	356.87	278.56	244.23
May	441.07	402.20	289.76	249.94
June	447.56	411.24	390.84	342.52
July	478.77	452.75	451.72	394.16
August	452.17	425.06	416.94	347.73
September	521.46	485.13	450.50	380.80
October	466.46	389.14	327.28	259.74
November	402.90	365.67	333.83	271.14
December	345.09	297.09	224.34	167.36