

April 24, 2012

INFORMATION LETTER 2012-17

**Subject: Petroleum Royalty Regulation, 2009
Par Prices – June 2012 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	June 2012 Par Prices \$/M³
Light Oil	less than 850 kilograms per cubic metre	590.69
Medium Oil	greater than or equal to 850 kilograms per cubic metre and less than 900 kilograms per cubic metre	448.52
Heavy Oil	greater than or equal 900 kilograms per cubic metre and less than 925 kilograms per cubic metre	443.32
Ultra Heavy Oil	greater than or equal to 925 kilograms per cubic metre	400.21

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

Authorized by: Gale Robins
Branch Head
Petroleum Marketing & Valuation and
Site Services

Attachments: Page 2 – 3

CALCULATION OF PAR PRICES (Note: Numbers may not add due to rounding.)

Light for June 2012	(C\$/m³)
May Contract Month Average of Edmonton Postings	519.46
May Contract Month Average Nymex WTI	651.40
May Contract Month Average Trans. Diff. Cushing to Edmonton	-16.52
Average Field Quality Adjustment	3.21
Average Field Transportation Cost to Edmonton	-12.77
June Light Par Price Formula	
(0.3 x Edm Post.) + [0.7 x (Nymex WTI +Trans. Diff.) +/- Average Field Quality Adj. – Average Field Transportation Cost	
(0.3 x 519.46) + [0.7 x (651.40-16.52)] + 3.21 – 12.77	590.69

Medium for June 2012	(C\$/m³)
May Contract Month Average of MSO Stream Postings @ Hardisty	454.51
Average Field Quality Adjustment	12.53
Average Field Transportation Cost to Hardisty	-18.52
June Medium Par Price Formula	
Average of Postings +/- Average Field Quality Adjustment. – Average Field Transportation Cost	
454.51 + 12.53 – 18.52	448.52

Heavy for June 2012	(C\$/m³)
May Contract Month Average Bow River Postings @ Hardisty	456.65
Average Field Quality Adjustment	-0.53
Average Field Transportation Cost to Hardisty	-12.79
June Heavy Par Price Formula	
Average of Postings +/- Average Field Quality Adjustment - Average Field Transportation Cost	
456.65 – 0.53 – 12.79	443.32

Ultra Heavy for June 2012	(C\$/m³)
May Contract Month Average LLB Postings @ Hardisty	440.46
May Contract Month Average WCS Postings @ Hardisty	443.12
Average of Postings (LLB and WCS) @ Hardisty	441.79
Average Field Quality Adjustment	-30.57
Average Field Transportation Cost to Hardisty	-11.01
June Ultra Heavy Par Price Formula	
Average of Postings +/- Average Field Quality Adjustment - Average Field Transportation Cost	
441.79 – 30.57 – 11.01	400.21

CRUDE OIL ROYALTY CALCULATION DATA TABLE

MONTH	2012 PAR PRICES			
	\$/M³			
	Light	Medium	Heavy	Ultra Heavy
January	608.99	569.45	537.58	502.12
February	632.20	616.38	575.01	539.89
March	631.31	609.89	559.49	515.59
April	606.40	554.57	517.16	476.05
May	628.60	515.12	495.43	464.95
June	590.69	448.52	443.32	400.21
July				
August				
September				
October				
November				
December				