



300, 801, 6th Avenue SW
Calgary, Alberta
Canada T2P 3W2

October 26, 2009

INFORMATION LETTER 2009-37

**Subject: Petroleum Royalty Regulation, 2009
Par Prices - December 2009 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 2009 Par Prices \$/M ³
Light Oil	less than 850 kilograms per cubic metre	446.04
Medium Oil	greater than or equal to 850 kilograms per cubic metre and less than 900 kilograms per cubic metre	408.60
Heavy Oil	greater than or equal 900 kilograms per cubic metre and less than 925 kilograms per cubic metre	389.94
Ultra Heavy Oil	greater than or equal to 925 kilograms per cubic metre	372.27

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:

Director, Marketing and Strategic Relations

Royalty Operations Calgary and
Calgary Administration
Resource Revenue & Operations
300, 801 – 6th Avenue S.W.
Calgary, Alberta T2P 3W2
Phone: (403) 297-5476

Authorized by: Gale Robins
Branch Head
Royalty Operations Calgary and
Calgary Administration
Resource Revenue & Operations

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

Light for December 2009	(C\$/m³)
November Contract Month Average of Edmonton Postings	458.26
November Contract Month Average Nymex WTI	479.87
November Contract Month Average Trans. Diff. Cushing to Edmonton	-11.14
Average Field Quality Adjustment	-8.72
Average Field Transportation Cost to Edmonton	-10.82
December 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 458.26) + [0.7 x (479.87-11.14)] – 8.72 – 10.82	446.04

Medium for December 2009	(C\$/m³)
November Contract Month Average of MSO Stream Postings @ Hardisty	437.25
Average Field Quality Adjustment	-12.66
Average Field Transportation Cost to Hardisty	-15.99
December Medium Par Price Formula	
Average of Postings +/- Average Field Quality Adjustment. – Average Field Transportation Cost	
437.25– 12.66 – 15.99	408.60

Heavy for December 2009	(C\$/m³)
November Contract Month Average Bow River Postings @ Hardisty	416.61
Average Field Quality Adjustment	-16.32
Average Field Transportation Cost to Hardisty	-10.36
December Heavy Par Price Formula	
Average of Postings +/- Average Field Quality Adjustment - Average Field Transportation Cost	
416.61 –16.32 – 10.36	389.94

Ultra Heavy for December 2009	(C\$/m³)
November Contract Month Average LLB Postings @ Hardisty	405.64
November Contract Month Average WCS Postings @ Hardisty	407.19
Average of Postings (LLB and WCS) @ Hardisty	406.42
Average Field Quality Adjustment	-24.04
Average Field Transportation Cost to Hardisty	-10.10
December Ultra Heavy Par Price Formula	
Average of Postings +/- Average Field Quality Adjustment - Average Field Transportation Cost	
406.42 – 24.04 – 10.10	372.27

CRUDE OIL ROYALTY CALCULATION DATA TABLE

MONTH	2009 PAR PRICES \$/M ³			
	Light	Medium	Heavy	Ultra Heavy
January	448.66	360.52	317.95	285.99
February	319.51	254.08	211.03	178.96
March	263.52	212.44	188.71	156.54
April	268.73	257.63	233.08	208.12
May	315.54	301.98	290.04	260.59
June	348.96	343.18	332.13	306.55
July	364.84	342.65	339.00	313.33
August	433.02	406.42	400.72	375.00
September	428.20	399.59	387.83	366.35
October	438.76	400.52	375.18	353.69
November	451.76	416.40	399.11	384.44
December	446.04	408.60	389.94	372.27