

— WRITING SAMPLE —

(training guide - orientation)

Stephen X. Arthur, technical writer 2005

www.sxa-portfolio.com

Copyright © 2005 BC Ministry of Revenue/Duncan Kent & Associates

First draft - summarized from existing materials

Use of Forms

This section summarizes how forms submitted by the industry are used by the Mineral, Oil and Gas Revenue Branch.

Note: If the deadline for filing a form is on a Saturday, Sunday, or statutory holiday, it can be filed on the next normal business day.

BC-S1—Monthly Production Statement

This form is a statement of monthly production of oil, condensate, gas, and water for one or more wells linked to a reporting facility. It's used to record estimated, measured, and prorated production from each well. All facility operators must report the production and disposition data each month for all wells for which they are responsible.

It must be filed with the Branch by the 25th day after the month of production.

BC-S2—Monthly Disposition Statement

This form is a statement of monthly receipts and dispositions of oil, condensate, gas, and water to and from a reporting facility.

It must be filed with the Branch by the 25th day after the month of the receipt or disposition.

BC-10—Natural Gas & By-Products Volumes & Values Report

This form reports a REN's monthly share of production from both Crown land and freehold land. It includes:

- volumes of marketable gas available for sale
- volumes of gas by-products sold
- sales values of gas by-products
- amendments to previously reported volumes and values

It must be filed with the Branch by the last day of the second month following the production month. Amendmantes for months prior to April 2001 must be filed on the BC-14 form that was used in the past.

BC-11—Notice of Suspension or Commencement of Operations

This form is used to notify the Branch of the initial commencement, suspension, or resumption of production, injection, or disposal. It also must include testing operations before a well is tied in to a gas gathering system.

A separate form must be used for each well. Forms must be filed with the Branch by the 20th day of the month following the month in which a well changed status.

BC-12—Reporting Entity Structure Statement

This form is filed to create a new REN and to report any addition or change in royalty interest in a REN, such as a new well, a change in partner's responsibilities, or connection to a new facility.

It must be filed by the 20th day of the month after the month in which the change became effective.

BC-13—Monthly Crown Royalty & Freehold Tax Statement - Oil

This form is used to report a REN's monthly oil royalty and tax share and the sales of oil used to value the share. It's also used to report amendments. Field condensate should be reported on the BC-10.

It must be filed with the Branch by the 25th day after the month of production.

BC-15—Petroleum and Natural Gas Remittance Advice

This form is used to allocate payments to each REN and production period, and to the royalty payor's Interest, Penalty, and Assessment Accounts. When an overpayment has been made, the form is used to transfer the overpayment to another month or REN.

On behalf of the royalty payer, we enter the Summer Drilling Credit and the Road and Infrastructure Credit into this form through PRMS. The credit appears automatically in the online version of the form.

It must be filed with the Branch by the last day of the month in which a payment is made.

BC-16—Monthly Natural Gas Plant Statement

This form is used by operators of gas plants and dry gas sources to report the following:

- Raw gas volumes received
- Residue gas volumes extracted from the raw gas deliveries
- Losses from transporting and processing raw gas

It must be filed with the Branch by the 25th day of the month after the month in which the gas was processed.

BC-17—Monthly Natural Gas Processing Statement

This form is used by operators of gas plants to report the volume of gas by-products extracted from raw gas. By-products are ethane, propane, butane, pentanes plus, LPG mix, and sulphur.

It must be filed with the Branch by the 25th day of the month after the month in which the by-products were extracted.

BC-22—Application for Producer Cost of Service

When a facility begins production, or a compressor or field processing unit begins operation, the royalty payer submits this form to ensure the Ministry has the information needed to approve the Producer Cost of Service (PCOS) allowance, a rate deduction from gross royalties payable.

The Ministry reviews rates annually to determine whether a change is warranted. The BC-22 lets us know that new capital has been installed, helping us to keep an up-to-date inventory for rate calculations.

This form is submitted to the Branch before the production month in which a PCOS status should become effective.

BC-23—Application for Gas Cost Allowance

This form is used by plant operators to apply for a site-specific deduction to royalties due to the costs of construction and operation that apply to the Crown's share of gas that was processed through the plants owned by the producer. Costs are reported for a calendar year, plus an estimate of costs and volumes for the following year. The new rate applies to the following year.

This form is submitted to the Branch by March 15 of the year following the year of operation costs.

BC-25—Summer Drilling Credit Application

This form is used by well operators to apply for a royalty credit to offset the direct costs of drilling a new oil or gas well outside the peak drilling period. The spud date of the new well must be between March 31 and December 1.

This form can also be used to assign a percentage of the royalty credit to other companies. We generate a PRMS report for each company with a proportionate interest in the well, showing their royalty credit for the well. We email these reports to these companies as soon as possible after receipt of the BC-25 form.

The form must be filed with the Branch by June 30 of the calendar year following the calendar year in which the well was spudded.

BC-30—Oil Purchases Summary

This form must be submitted by purchasers of oil or condensate that was produced in BC. Volumes and monthly average unit prices must be given for each product type. This information is used by the Validation and Audit Section to test the reasonableness of sales transactions reported on BC-13 forms.

A copy of this form must be filed with the Branch by the last day of the month following the month in which purchases were made.

BC-35—Crude Oil & Condensate Monthly Pipeline Statement

This form must be used by pipeline operators to report volumes of BC oil, condensate, and pentanes-plus delivered into their systems. The Branch uses this information to verify BC-S1/S2 volumes.

It must be filed with the Branch by the 25th day after the month of receiving oil.

BC-36—Monthly Treating Plant Statement

This form must be used by oil treatment plant operators to report volumes of BC oil processed through their facilities. The Branch uses this information to verify BC-S2 delivery volumes.

It must be filed with the Branch by the 25th day after the month of receiving oil.

BC-40—Gas Sales Contract Summary

This form must be submitted by producers to provide the Ministry of Energy and Mines with a summary of gas sales contracts for BC gas. For some contracts, copies of the contract are also requested. This information is collected to monitor the market, determine producer prices, audit royalties, and manage resources.

It must be filed with the Branch by November 30 for the contract year beginning November 1. It must be filed with the Branch by the 25th day after the month of receiving oil.

Additional forms

The following forms are used by several other sections of the Ministry of Provincial Revenue in addition to the Branch. The Branch uses them for compliance and control. For instructions see the *BC Oil and Gas Handbook*.

- 15A—Monthly Gas Injections Operations Report
- 19—Monthly Refinery Operations Report
- 20—Monthly Crude Oil and Condensate/Pentanes-Plus Purchaser's Statement

FAQs

Question 1:

Approved by: Director, Mineral, Oil and Gas Revenue	Effective: March 17, 2005
--	----------------------------------