

January 2, 2018

Notice to all Operators in Saskatchewan:

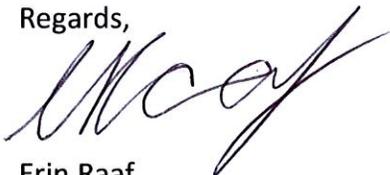
As part of its ongoing monitoring activities under *The Oil and Gas Conservation Act* and regulations, The Ministry of the Economy (ECON) will continue conducting a review of reported information in Petrinex. To better aid Industry, ECON has developed a tentative schedule for when ECON will contact the reporting Business Associate (BA) regarding records that are being audited for the 2017 production year. ECON will be contacting the Petrinex primary and backup USA to request supporting backup information or documentation for each record selected for audit. ECON has conducted several audit procedures of the reported information in Petrinex in the past. Once the BA has responded to ECON with the supporting information or documentation before the deadline, and it has been deemed acceptable, ECON will inform the BA whether or not an amendment(s) is required. Once ECON has informed the BA that an amendment(s) is required, the BA will be given a new deadline to have this amendment completed.

If the BA does not respond with the correct supporting information or documentation or does not contact ECON stating the amendments have been completed the BA will be in non-compliance and receive a penalty as per *The Oil and Gas Regulations, 2012*.

The following is a tentative schedule for the planned audit procedures ECON will be conducting in the 2018 calendar year, and there will be additional audit procedures conducted in the 2018 calendar year. The months listed provide a timeline for when the email requesting the information will be sent and when the information or documentation will be required to be submitted. These dates are subject to change.

Email sent requesting supporting information or documentation (Volumetric Deadline of the calendar month listed)	Due date for information submission to ECON without penalty (Volumetric Deadline of the calendar month)	Audit Procedures
March 2018	April 2018	2017 Inventory Adjustment -All inventory adjustment, storage inventory adjustments and load inventory adjustment records that have been reported
March 2018	April 2018	2017 Code Usage -all reported usages of miscellaneous nodes
April 2018	June 2018	2017 OV Transportation -trucking charges reported for some facilities
September 2018	November 2018	2017 OV RTP Details -reported sales prices for some facilities
October 2018	November 2018	2016-2017 Skim Oil at Injection Facilities -reported skim oil over 1% at injection facilities

Regards,



Erin Raaf
 Director, Information Management