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April 13, 2006

**Distribution List:**

See list in Appendix I

**Letter to Stakeholders (General) – Update - Proposed Amendments to the Frontier Lands Petroleum Royalty Regulations**

On February 16, 2006, the Oil and Gas Management Directorate of the Department of Indian and Northern Affairs Canada initiated a series of consultations as part of a proposal to amend the Frontier Lands Petroleum Royalty Regulations (FLPRR).

At that time, the deadline for Stakeholders to provide their written submissions, on the proposed amendments, was established as April 30, 2006. This letter serves notice that the deadline for participating in the consultation process and to provide written submissions is now extended to May 30, 2006.

Since that time, a series of consultation meetings have taken place. These meetings are listed on the attached consultation schedule (Appendix II). As additional meetings are confirmed, the consultation schedule will be updated, and the information will be posted on our web site at [http://www.ainc-inac.gc.ca/oil/roy/index\\_e.html](http://www.ainc-inac.gc.ca/oil/roy/index_e.html).

We have been made aware that some stakeholders are interested in reviewing the actual proposed amendments to the FLPRR. To accommodate these requests, we are providing a working version of the proposed regulations (Appendix III). It should be noted that, while this document reflects all of our proposed amendments, changes may occur between now and the time the proposed regulations are pre-published in the Canada Gazette Part I.

Should you require any additional information, please visit our web-site <http://www.ainc-inac.gc.ca/oil/roy/>.

Yours truly,

George Green  
Director  
Oil and Gas Management Directorate  
Northern Oil and Gas Branch  
Indian and Northern Affairs Canada

Atts:

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### Industry

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| <p>Vice-President Finance<br/>BG Canada Exploration &amp; Production Inc<br/>150 – 6<sup>th</sup> Avenue. S.W., 7th Floor<br/>Calgary, Alberta, T2P 3Y7</p> <p>Tel: (403) 538-7400<br/>Fax: (403) 538-7500</p> | <p>Vice-President Finance<br/>BP Exploration (Alaska) inc.<br/>PO Box 196612<br/>900 E. Benson Boulevard<br/>Anchorage, AK, 99519-6612</p> <p>Tel: (907) 564-5537<br/>Fax: (907) 564-4124</p> |
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| <p>Vice-President Finance<br/>Canadian Natural Resources<br/>Suite 250, 855-2 St. S.W.<br/>Calgary, Alberta, T2P 4J8</p> <p>Tel: (403) 517-6700<br/>Fax: (403) 517-7350</p>                                    | <p>Vice-President Finance<br/>Canadian Superior Energy Inc.<br/>Suite 3300, 400-3 Avenue S.W.,<br/>Calgary, Alberta, T2P 4H2</p> <p>Tel: (403) 294-1411<br/>Fax: (403) 216-2374</p>           |
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| <p>Vice-President Finance<br/>Devon Energy Corporation<br/>20 North Broadway<br/>Oklahoma City, OK, 73102-3611</p> <p>Tel: (405) 235-3611<br/>Fax: (405) 552-4667</p>                         | <p>Vice-President Finance<br/>Duvernay Oil Corporation<br/>Suite 1500, 202 – 6 Avenue S.W.<br/>Calgary, Alberta, T2P 2R9</p> <p>Tel: (403) 571-3600<br/>Fax: (403) 269-6510</p>       |
| <p>Vice-President Finance<br/>EnCana Corporation<br/>Suite 1800, 855-2 St. S.W.<br/>Calgary, Alberta, T2P 4Z5</p> <p>Tel: (403) 645-2000<br/>Fax: (403) 645-3400</p>                          | <p>Vice-President Finance<br/>Enstar Natural Gas Company<br/>P.O. Box 190288<br/>Anchorage, AK 99519-0288</p> <p>Tel: (907) 277-5551<br/>Fax: (907) 264-3671</p>                      |
| <p>Vice-President Finance<br/>EOG Resources Canada Inc.<br/>1300, 700-9 Avenue. S.W.<br/>Calgary, Alberta<br/>T2P 3V4</p> <p>Tel: (403) 297-9100<br/>Fax: (403) 297-9198</p>                  | <p>Vice-President Finance<br/>ExxonMobil Resources Ltd.<br/>1900, 330-5<sup>th</sup> Avenue S.W.<br/>Calgary, Alberta, T2P 0L4</p> <p>Tel: (403) 517-2524<br/>Fax: (403) 517-2530</p> |
| <p>Vice-President Finance<br/>Husky Oil Company of Canada Inc.<br/>3100, 450-1<sup>st</sup> Street. S.W.<br/>Calgary, Alberta, T2P-5H1</p> <p>Tel: (403) 531-1530<br/>Fax: (403) 531-1539</p> | <p>Vice-President Finance<br/>Imperial Oil Resources Limited<br/>237-4<sup>th</sup> Avenue, S.W.<br/>Calgary, Alberta, T2P 0H6</p> <p>Tel: (403) 237-3737<br/>Fax: (403) 237-2197</p> |

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| <p>Vice-President Finance<br/>International Frontier Resources Corporation<br/>100, 601-10<sup>th</sup> Avenue, S.W. Box 10<br/>Calgary, Alberta, T2R 0B2</p> <p>Tel: (403) 215-2780<br/>Fax: (403) 215-2788</p> | <p>Vice-President Finance<br/>Murphy Oil Company Limited<br/>2100, 555-4 Avenue S.W.<br/>Calgary, Alberta, T2P-3E7</p> <p>Tel: (403) 294-8000<br/>Fax: (403) 294-8851</p> |
| <p>Vice-President Finance<br/>Newmont Mining Corporation of Canada Limited<br/>1900, 20 Eglinton Avenue West<br/>Calgary, Alberta, M4R 1K8</p> <p>Tel: (416) 480-6492<br/>Fax: (416) 488-6598</p>                | <p>Vice-President Finance<br/>Nexen Canada Ltd.<br/>1777 Victoria Avenue, box 1550<br/>Regina, SK S4P 3C4</p> <p>Tel: (306) 781-8200<br/>Fax: (306) 781-8205</p>          |
| <p>Vice-President Finance<br/>Northrock Resources Ltd.<br/>3500, 700-2 St. S.W.<br/>Calgary, Alberta, T2P 2W2</p> <p>Tel: (403) 213-7600<br/>Fax: (403) 232-4650</p>   | <p>Vice-President Finance<br/>Ocean Energy, Inc.<br/>3 Wild Cherry,<br/>Midville, GA, USA, 30441</p> <p>Tel: (478) 237 0988<br/>Fax: (775) 306-4942</p>                   |
| <p>Vice-President Finance<br/>Pacific Rodera<br/>240, 600 - 6th Ave. S.W.<br/>Calgary, Alberta, T2P 0S5</p> <p>Tel: (403) 234-0501<br/>Fax: (403) 234-0511</p>   | <p>Vice-President Finance<br/>Paramount Resources Ltd.<br/>4700, 888 3rd Street S.W.<br/>Calgary, Alberta, T2P 5C5</p> <p>Tel: (403) 290-3600<br/>Fax (403) 262-7994</p>  |
| <p>Vice-President Finance<br/>Petrobank Energy and Resources Ltd.<br/>2600, 240 -4 Avenue S.W.<br/>Calgary, Alberta T2P 4H4</p> <p>Tel: (403) 750-4400<br/>Fax: (403) 266-5794</p>                               | <p>Vice-President Finance<br/>Petro-Canada<br/>150-6 Avenue S.W.<br/>Calgary, Alberta<br/>T2P-3E3 Box 2844</p> <p>Tel: (403) 296-8000<br/>Fax: (403) 296-3030</p>         |

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| <p>Shell Canada Limited<br/>400-4 Avenue, S.W.<br/>Calgary, Alberta, T2P-0J4</p> <p>Tel: (403) 691-3111<br/>Fax: (403) 691-3696</p>      | <p>Suncor Energy Inc.<br/>112-4 Avenue. S.W.<br/>Calgary, Alberta, Box 38, T2P 2V5</p> <p>Tel: (403) 269-8100<br/>Fax: (403) 269-6200</p> |
| <p>Talisman Energy Inc.<br/>3400, 888-3 St. S.W.<br/>Calgary, Alberta<br/>T2P-5c5</p> <p>Tel: (403) 237-1234<br/>Fax: (403) 237-1902</p> |   |

Associations

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| <p>Manager, Fiscal Policy<br/>Canadian Association of Petroleum<br/>Producers<br/>Suite 2100, 350 7th Avenue S.W.<br/>Calgary, Alberta, T2P 3N9</p> <p>Tel: (403) 267-1100<br/>Fax: (403) 261-4622</p> |  |
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| <b>Frontier Lands Petroleum Royalty Regulations<br/>Proposed Amendments<br/>Consultation Schedule</b> |                             |   |
|---|-----------------------------|---|
| <b>Stakeholder</b>  | <b>Date of Consultation</b> | <b>Location</b>                           |
| Government of Nunavut   | March 8, 2006               | Iqaluit,<br>Nunavut                       |
| Deh Cho First Nations   | March 15, 2006              | Fort Providence,<br>Northwest Territories |
| Nunavut Tunngavik Incorporated  | March 21, 2006              | Cambridge Bay,<br>Nunavut                 |
| Government of the Northwest Territories   | March 22, 2006              | Yellowknife,<br>Northwest Territories     |
| Industry  | May 11, 2006                | Calgary,<br>Alberta                       |
| Government of Yukon   | TBA                         | Whitehorse,<br>Yukon                      |