



Ministry of Energy and Mines

BC-40
GAS SALES CONTRACT SUMMARY
Contract Year A

Freedom of Information and Protection of Privacy Act - The personal information requested on this form is collected under the authority of the *Petroleum and Natural Gas Act*, RSBC1996 c. 361 s 74 (1) and will be used for purposes of administering the Petroleum and Natural Gas Royalty and Freehold Production Tax Regulation. If you have any questions about the collection and use of this information, please contact us at P.O. Box 9328 Stn. Prov. Gov't, Victoria, B.C. V8W 9N3 250 952-0192.

Producer: B
Client Code: C

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BUYER	Contract Type*	Effective Date (M/D/Y)	Termination Date (M/D/Y)	MDVO 10 ³ m ³ /d	Total Contract Volume 10 ⁶ m ³	Title Transfer Point	Pricing** Mechanism	Description
D	E	F	G	H	I	J	K	L

Legend:

Contract Type

Pricing Mechanism

* S = spot	If Index specify:	
* CP = corporate pool	** F = fixed	S = Sumas
* IT = interruptible	** V = variable	A =Aeco
* STF = short term firm	** I = index	N = NYMEX
* LTF = long term firm	** NB = aggregator netback	OI = Other Index
* SW = swap or buy/sell	** CP = corporate pool	
	** O = Other	

CERTIFICATION: I hereby certify that the information provided on this form is correct.

Signature	M	Name	O
Date	N	Fax Number	Q
Phone Number	P		

REPORT COMPLETION GUIDELINES

6.15 GAS SALES CONTRACT SUMMARY (BC-40)

PURPOSE

The BC-40 is designed to provide the Ministry of Energy & Mines with a brief summary of natural gas sales contracts for to gas produced in British Columbia. Producers may also be required to submit copies of contracts upon request by the Ministry. The Ministry anticipates that copies of the following types of contracts will be routinely requested:

- Non-arm's length sales;
- Contracts for large volumes of gas;
- Contracts for a large proportion of a producer's production;
- Long-term contracts;
- Contracts with complex or unusual pricing mechanisms;
- Contracts which are the subject of a royalty audit.

This information will be collected for purposes of market monitoring, determination of Producer Prices, royalty audits and resource management.

CONTENT

All contracts should be included whether or not they are executed at the time of submission. Any contracts entered into after the form is submitted should be reported to the Ministry as an amendment to the form.

TIMING

The BC-40 must be submitted each year by November 30 for the contract year beginning November 1. The Ministry may request that a producer update the contents of the form at any time during the year.

IDENTIFICATION

- A Contract Year** - Enter in abbreviated form the contract year to which the BC-40 applies. For example, for the November 1, 1998 to October 31, 1999 contract year, enter 98/99.
- B Producer** - Enter the name of the producer who is selling the gas for which the BC-40 is submitted.
- C Client Code** - Enter the 4-digit client code assigned to the selling producer by the Ministry. An up to date list of royalty client codes are available on the Ministry of Energy & Mines website at www.gov.bc.ca/em or the Ministry of Provincial Revenue website at www.gov.bc.ca/rev
- D Buyer** - Enter the name of the buyer of the gas, whether or not an executed contract is in place at the time of the application.
- E Contract Type** - Indicate whether the sale is spot, corporate pool, interruptible, short-term firm, long-term firm or swap or buy/sell.
- F Effective Date** - Enter the effective date of the contract in the month-day-year format.

REPORT COMPLETION GUIDELINES

IDENTIFICATION cont'd

- G Termination Date** - Enter the termination date of the contract in month-day-year format. If it is an evergreen contract, indicate "Evergreen" and length of renewal period.
- H Maximum Daily Volume Obligation (MDVO)** - Enter the MDVO specified in the sale contract in 10^3m^3 /per day, if applicable.
- I Total Contract Volume** - Enter the total volume of gas to be sold under the contract in 10^6m^3 , if applicable.
- J Title Transfer Point** - Enter the name of the delivery point at which the buyer takes title of the gas.
- K Pricing Mechanism** - Indicate the type of pricing mechanism provided for in the contract. The form includes a legend containing common pricing mechanisms. If the contract utilizes a combination of these, all applicable mechanism should be entered. For example, if the contract specifies the price as the average of AECO and Sumas price indexes, A and S should both be entered. Netback pricing should only be indicated if the sale is to an aggregator.
- L Description** - If appropriate, provide additional information that further describes the pricing mechanism. For example, if the pricing mechanism is the average of AECO and Sumas price indexes, less Transportation South on Westcoast, the box might contain: $(\text{AECO} + \text{Sumas})/2 - \text{TS}$. If necessary, this description can be included on a separate page.
- M Signature** - Signature of the person responsible for completing the form. This person should be someone who is familiar with the terms of the contracts.
- N Date** - Enter the date the form was signed.
- O Name** - Enter the name of the person signing the form.
- P Phone Number** - Enter the phone number of the person signing the form.
- Q Fax Number** - Enter the fax number of the person signing the form.

SUBMISSION

Forms should be submitted to:

New Ventures Branch
Ministry of Energy and Mines
PO Box 9323 Stn Prov Gov't
Victoria, BC V8W 9N3
ATTN: Senior Pricing Analyst