

PNG Continuation Application Guide

Use this guide to help you complete applications for continuation of petroleum and natural gas (PNG) agreements and intermediate term licences in the Electronic Transfer System (ETS) under PNG Continuation. This guide **does not** apply to validation of initial term PNG licences.

General Information

Use the Continuation Application on ETS to apply for continuation under Sections 15, 16, and 17 of the *Petroleum and Natural Gas (PNG) Tenure Regulation* (The Regulation).

This application is also used to apply for extensions of the term of leases and intermediate term licences under Sections 16(6), 18(6) and 26 of the *PNG Tenure Regulation* or under Sections 8(1)(h) of the *Mines and Minerals Act*.

You may also use this application to apply to extend the time to complete a specific action under Section 8(1)(g) of the *Mines and Minerals Act*.

Section numbers in the application and this guide refer to the PNG Tenure Regulation, unless otherwise specified.

Resources

See the [Tenure](#) section on [Alberta.ca](#) for guides, regulations and other information.

If you have any questions regarding regulations or legislation, please phone 780-427-7425 and ask for PNG Continuation.

If you have questions regarding the ETS-PNG Continuation on-line process, please phone the PNG Continuation Helpdesk at 780-644-2300.

For additional information regarding the application process, refer to [Alberta Online Learning](#).

Continuation Application Information

An application for continuation must be submitted to Alberta Energy through ETS on or before the expiry date of any agreements included in the application.

Do not mail, fax, e-mail or drop off your applications.

Always complete the Admin and Agreement tabs of the application on ETS. You may also need to complete the Extension, Data, and Section 15, Section 16 and/or Section 17 tabs.

Ensure you are authorized to submit the application.

Your company must be the designated representative or obtain authorization from the designated representative for each agreement applied for prior to submission. **Only one application per agreement expiry is considered by Alberta Energy; however an application may include multiple agreements.**

When applying for continuation, you can add multiple agreements under the Agreement Tab. All lands associated to the agreement(s) and agreement expiry will then be available for selecting in all the application tabs.

You may use one application for multiple agreements **provided that:**

- There is only one application for each agreement expiry,

- You are authorized to apply for all agreements,
- The agreement expiry dates are within one year of each other, and

The agreements are located near each other and are covered by the same technical data.

Note: Once you submit the application, all agreements within the single application are assigned their own ETS Request number for easy tracking during the continuation process.

- All agreements will share an Application Reference number. Each ETS Request or agreement in the original submission that shares the Application Reference ID are reviewed or processed together.
- Agreements from one application are reviewed together. However, one may be finalized and the remaining agreements sent an offer. Also, as the applicant, you may wish to withdraw an agreement but not all of the agreements within the application.
- Once your application has been submitted to Alberta Energy, you should go into each ETS Request or agreement and print the Continuation Document as this document has the Submission Date for your records.

The success of your application may be affected if all relevant data is not submitted.

Rental payment is not required at the time of application. Alberta Energy provides notification of rental owing after the continuation decision is finalized.

Status of the Application

Once Alberta Energy receives your application, your continuation application will have a status of "Continuation Pending = Yes" on the Agreement Detail Report until Alberta Energy finalizes the continuation decision.

Lands and/or rights not applied for will revert to the Crown after the agreement expires.

Do not assume continuation is granted until you receive confirmation from Alberta Energy.



Continuation of a Lease or Intermediate Term Licence

If Alberta Energy approves the continuation application, a final letter of continuation and an Amended Appendix, (if applicable) are sent electronically through ETS-PNG Continuation to the designated representative and to the applicant.

Leases and intermediate term licences are subject to severance of deeper rights at the end their term. Agreements issued after January 1, 2009 are also subject to severance of shallow rights.

Lands and/or rights that are not continued are deleted and revert to the Crown.

Offer and Request for Review (Appeal)

If the application does not support the continuation requested, the applicant will receive a continuation offer electronically through ETS-PNG Continuation. The ETS Request status will be at Offer. You can then respond to Alberta Energy's continuation offer.

Alberta Energy will finalize the agreement based on the offer letter unless:

- The applicant submits additional data prior to the agreement expiry or
- Submits a request for review before the Offer Expiry date.

Only the company who submitted the application can request a review of Alberta Energy's continuation offer.

A Request for Review can only be made on zones or rights that were originally applied for. Refer to [Amendment to an Application](#) as part of this guide if

land, zone or well was not initially applied for and the agreement has now expired.

Following a request for review, Alberta Energy will finalize the agreement.

Application Tabs in ETS Administrative Information Tab

Company Name: Select the name of the company applying for continuation.

Application Reference # (Optional): If adding an agreement to an existing application you must select the Application Reference number. Refer to [Adding an Agreement to an Existing Application](#). This should only be done if your agreement is sharing data or using the same qualifying well.

Comment: You can add a comment for your reference. This is optional and will not be seen by Alberta Energy.

Contact Information: Enter applicant contact information.

Technical Contacts: Provide the name, title, phone number and email address for at least one technical contact. This is not required but strongly suggested.

No data to follow: Check this button if no technical data is being submitted.

Note: We do not accept electronic submission of technical data at this time.

Data being sent by courier or mail: Check this button if technical data is being sent separately.

- Data sent separately must be received by Alberta Energy within 5 business days of the application submission date. It can be dropped off at Alberta Energy's office in Calgary at:
AMEC Place, Suite 300, 801-6 Ave SW,
Calgary, AB T2P 3W2 (403-297-8955)
- Please enclose a cover letter with your data package to ensure the data is attached to the correct agreement. Helpful information includes: Crown Agreement Number, ETS Request Number, Company Name, and Submission Date. Or you may use the sample data covering form, [See the Tenure section on Alberta.ca](#)

- You do not need to include a copy of the application.
- Submit all data in print (hard copy) format. Do not submit in electronic or digital format.

Return Seismic Lines: Check this box if you are submitting seismic lines as part of your application and would like them returned when the continuation decision has been made. Alberta Energy does not return any other data.

Attach Geological Discussion: Click on Browse to select a geological discussion to attach to your application. Once selected you must then click the Add button. A geological discussion summarizes work done, results and conclusions. It should be submitted with the application form, even when technical data is sent separately. For additional information, please refer to the [Notes on Technical Data](#) and the Technical Guidelines for Continuation (available on Alberta Energy's website).

- Geological discussions attached to PNG Continuation Applications in ETS are to include text only. They should not include any technical data, logs or maps. Please note that all applications received through ETS are printed on 8 ½ X 11 paper, in black and white.
- Any technical data, logs or maps, must be submitted through mail, courier or dropped off at an Alberta Energy office in Calgary or Edmonton. Please note that we also do not accept data in any electronic format. At this time only paper copies of technical data is permitted.

Save your request. ETS will assign an ETS Request number for the application. You can proceed with filling in your application. **Note**, your application has NOT been submitted at this stage.

Agreement Information Tab

Agreement Number: Click the Add Agreement button, a Search Agreements screen will display. Enter the PNG Agreement number(s) (e.g., 0494091399) and select Search. All agreements found will display. You must check each agreement you wish to add to the application. The Expiry Date will auto populate based on your selection.

Applicant File Number (Optional): If it is useful for your company, enter the company's file number (or file name) on this line (Examples: M12345; 2.10.203; Redwater). This file number (or name) will be

referenced in Alberta Energy's correspondence to the applicant resulting from this application.

Advance Ruling Request: Check the box if you would like Alberta Energy to provide a pre-determination as to the type of continuation that may be granted before expiry, based on evidence gathered to date.

- The application must be received at least two months and up to one year before expiry to be eligible for an advance ruling. (e.g., May 15 deadline for July 15 expiry).
- If you are seeking an advance ruling outside of the time criteria listed above, within two years before agreement expiry, submit a written request outlining the reasons for your request. If Alberta Energy concurs with your request, an email will be sent granting approval to apply for an advance ruling.
- You cannot amend your application prior to agreement expiry. If you wish to change your application you may withdraw the first application and submit a new application before expiry. If you want Alberta Energy to review your previously submitted data with your new application, refer to the [Data Tab](#) in this guide.
- If there is no change to your application, it will be finalized as outlined in the Offer after the agreement expires. **Applying for entire agreement OR Applying for portion of agreement:** All corresponding lands based on the agreement number and expiry date will display.

If applying for a portion of an agreement, you may select the Customize button. Lands can be broken down or reset. You must check off all lands you wish to apply for.

Customize and/or Breakdown of Land: Once an agreement and expiry date is selected/added to the Agreement Tab in ETS, all associated lands display in the screen.

You may wish to apply for all expiring lands or for a portion. If only applying for a portion, the land must be customized - select the customize button. The Customize Land Selection box will display allowing the user to select and/or breakdown the land.

Users should also note that if they need to breakdown lands when applying for continuation (e.g., for Section 17), the lands must be broken down in the Agreement Tab first. All lands and how they are broken down in the Agreement Tab will be

displayed the same in Land Selection screens within the request.

Examples:

1. Agreement A has sections 4 and 5 but only section 5 is being applied for. User customizes the lands in the Agreement Tab and selects only section 5.
2. Agreement B has sections 6, 7, and 8 but only sections 7 and 8 are being applied for. User is applying Section 15 and Section 17 for 8N only. User customizes the lands in the Agreement Tab and selects section 7 and breaks down section 8 to quarter sections and selects all 4 quarters.

User will then complete the Section 15 tab and Section 17 tab. In the Section 17 tab, when user selects the lands, section 8 is broken down and you can now select 8NW,NE.

Extension Tab

Requesting an extension: An extension may be applied for if additional time is required beyond the expiry date of an agreement to continue operations.

- Select the agreement and type of extension being applied for and click the Add button. The Expiry Date and all corresponding land applied in the Agreement tab will be displayed. Indicate the date you wish the agreement to be extended until. Click on Browse to select the extension document(s) you want to attach to your application. Once selected you must then click on the Add Document button.
- An extension of term may be applied for under Sections 16(6), 18(6) or 26 of the PNG Tenure Regulation or under Section 8(1)(h) of the *Mines and Minerals Act*.
- You may also apply to extend the time to complete a specific action under Section 8(1)(g) of the *Mines and Minerals Act*.
- The circumstances for extensions are generally considered at the time of expiry; therefore, it is recommended to apply for a Section 8(1)(h) extension closer to the agreement expiry.

Section 16(6) Extension Request: An agreement that is continuing under Section 16 may be eligible for an extension if more time is required to evaluate

the rights, or if there are non-economic extenuating circumstances.

Section 18(6) Extension Request: An agreement that is subject to a Section 18 notice may be eligible if some operations have already been conducted during the notice period and more time is required, or if there are non-economic extenuating circumstances.

Section 26: An agreement that is subject to Section 26 may be eligible for an extension if there are mechanical or other related issues encountered when drilling a well.

Section 8(1)(h) Extension Request (under the Mines and Minerals Act): An agreement that is not eligible for continuation under the PNG Tenure Regulation, might be eligible for an extension if more time is required due to non-economic extenuating circumstances, beyond the company's control. An extension under this section provides Ministerial discretion to extend the term of an agreement. Supporting information, including a timeline, must be submitted that corroborates the circumstances that prevented you from meeting the obligations under a continuation or validation.

- There is no guarantee that an application under this section will result in an extension being granted.
- This type of extension is considered for licences expiring from an initial or intermediate term, leases expiring from a primary term, and both licences and leases expiring from a Section 17 continuation.
- When a Section 8(1)(h) extension is granted, the agreement status is the same as it was under the former expiry date (e.g., an agreement that was under a Section 17 continuation at the time the extension was granted, remains under a Section 17 continuation throughout the extended period).

Section 8(1)(g): An agreement may be eligible under a Section 8(1)(g) to extend the time to complete a specific action. It must be applied for with another section under the PNG Tenure Regulation.

To qualify for an extension under one of the above sections in the Mines and Minerals Act or in the PNG Tenure Regulation, the company must demonstrate the following:

- Circumstances were unforeseeable, non-economic and beyond the company's control (i.e., not related to business decisions such as a late farm-in)
- The company or operator has demonstrated a diligent effort, where feasible, to address the circumstances.

Extension Documents are required for an extension request. Attach a detailed explanation of the circumstances and efforts to mitigate them. Provide a chronology of events and your plan for completing work if the extension is granted. Where available, attach supporting documentation (e.g. a letter or email from a drilling company that has run into drilling problems; correspondence from the AER regarding a well licence application; letters of objection from surface owners or stakeholders, and additional related correspondence.)

If additional extension data is being sent by courier or mail, check this box. Please reference the PNG Agreement Number on all data or correspondence. This data must be received within 5 business days of the application submission.

Alberta Energy may request additional information upon reviewing your application.

Data Tab

Data for Section 15 and Section 17 Continuations

Data Referral and Authorization: Use this part of the application to reference previously submitted data and data being submitted by another company to support your application.

New data: Authorization is required if incoming data is being submitted separately, by another company in support of your application. **Data previously submitted within the past 12 months:** Complete this section and include the necessary authorizations if you want Alberta Energy to use data previously submitted by your company or another company. Provide the application date and the PNG Agreement Number for which the data was originally submitted.

Additional functionality was added to PNG Continuation Application's Data Submission Tab. If your application is for multiple agreements and another company is submitting data on your behalf for only one of those agreements you can now indicate which agreement we should use that data for.

Be sure to request and receive concurrence for all the necessary authorizations to allow Alberta Energy to use the data to support your application.

Refer to the Authorization Guide, see the [Tenure](#) section on Alberta.ca for guides, regulations and other information, or visit the Authorization training module under [PNG Continuation](#) in online learning for ETS screen captures.

Section 15 Tab

Technical Data for Section 15 Continuations Productive Wells and Pools

Zones: Complete a separate Production Zone Row for each zone for which you are submitting data.

1. To navigate, either use the scroll bar or click inside the Select Zone box and enter the first letter of the zone you are searching for. This will take you to the first zone starting with that particular letter. From here you may need to use the scrollbar if necessary.
2. Click the Select Zone button. Choose a zone and click Select.
3. Identify all productive zones when submitting supporting technical data for Section 15(1)(a) and (1)(e) applications.

ALL productive zones must be listed. Failure to identify zones in your application may affect the success of your application.

If an agreement in your application is zone-specific (e.g. a natural gas agreement; an agreement with rights “excepting” petroleum and natural gas in one or more zones), **include a correlation between the wells in the agreement and the well quoted in the Zone Designation.**

Type of Continuation Requested: Identify which sub-section of the Regulation you are applying under (more information below).

Data provided for zone: Completing this checklist is optional but you may find it is a helpful tool for confirming the type of data submitted. Alberta Energy does not use this checklist to verify data submitted. Provide as much relevant data and interpretation as available.

Agreement and Expiry Date: You may apply for All Agreements or Select Agreements for the zone you are applying for.

Wells other than Qualifying Wells (Optional): You may identify relevant wells, in addition to those

identified as qualifying wells (if any) under the Section 16 tab or under the Section 17 tab. This information can be helpful for Alberta Energy’s review of your data, as sometimes the other wells prove to be useful as qualifying wells.

SECTION 15(1)(a) - SPACING UNIT FOR A PRODUCING OR PRODUCTIVE WELL

A spacing unit may be continued under Section 15(1)(a) if:

- It contains a physically producing well (ie: flowing or pumping) or
- The data submitted demonstrates that a well within that spacing unit is capable of producing petroleum or natural gas in paying quantity.

SECTION 15(1)(e) - PRODUCTIVE SPACING UNIT

A spacing unit will be considered for continuation under Section 15(1)(e) if you submit technical data demonstrating that it is underlain by a pool capable of producing petroleum or natural gas in paying quantity.

Note: If applied lands are not proven productive, they may be considered for a Section 17 continuation, if eligible.

SECTIONS 15(1)(B), (C) AND (D) - UNITS, OFFSET COMPENSATION AND GAS STORAGE AGREEMENTS

A spacing unit subject to a Unit Agreement, a Production Allocation Unit Agreement, an obligation to pay Offset Compensation or a Gas Storage Unit Agreement is eligible to be continued pursuant to Section 15(1)(b), (c) or (d). If any of these circumstances apply, identify the zone affected along with the name, number or land description.

Section, Agreement Number, Expiry Date: Select the type of continuation and agreement to apply for and click on the Add button. The section, agreement and expiry date will auto-populate into the grid.

Zone: Select the zone you wish to apply for by clicking on the button provided. A Select Zone box with display. Highlight the zone and click on the Select box. The zone will then auto-populate into the grid.

Unit (Name/Number) or Offset Number or Land Description: You can free type text in space provided. You will receive an error message if this field is left blank.

Section 16 Tab

Qualifying Wells for a Section 16 with a Rig release date of less than 3 months before expiry OR drilling at expiry

The 16-character well id format for referencing a well is as follows (e.g.100/01-01-001-01W4/00).

If the applicant is not the well licensee, authorization from the well licensee to use the well as a qualifying well must be provided through ETS prior to application submission.

Refer to the Authorization Guide see the [Tenure](#) section on Alberta.ca for guides, regulations and other information, or visit the Authorization training module under [PNG Continuation](#) in online learning for ETS screen captures.

Qualifying Well-Location or Unique ID:

Provide the well location or unique well ID for the qualifying well. Use a separate row for each well. To add another well click on the Add Well Row button.

Under Section 16(1)(a) of the PNG Tenure Regulation, “Qualifying well” means a well that is either drilling at expiry, or has a rig release date within the last three months of the term of the agreement or the continuation period. The qualifying well must evaluate the rights contained in the lands being selected to continue. A qualifying well can only be used once for a Section 16 continuation. Therefore, all lands or agreements using the same qualifying well must be included in the same application.

Land: For each qualifying well, you can select up to 9 sections. You may select:

- Any sections on the agreement in which the qualifying well was drilled,
- On multiple agreements, providing the selected sections touch or corner the section containing the qualifying well, or
- A combination of the above.

Note: A horizontal (Hz) well is considered one well and it may increase the qualifying area in which to select sections.

If applying with more than two qualifying wells, lands continued under Section 16 may have different expiry dates depending on the rig release date of each qualifying well used. Sections can be removed from the previously continued lands in subsequent

applications if applying for a section 15 but additional sections cannot be added.

If you wish to identify other wells (which are not included as qualifying wells) for which you are submitting data, include them in the Section 15 tab.

When applying for continuation under Section 16, a qualifying well can only be used once; therefore, all agreements using the qualifying well must be included on one application. A validation in ETS will identify if the well has been used in a previous application. If it has been used, an error message will display and the application must be corrected prior to submission. To select a different qualifying well, it must be identified on the application or the new agreement(s) and can be attached to a previously submitted application. Refer to [Adding an Agreement to an Existing Application](#).

Section 17 Tab

Technical Data for Section 17 Continuations Productive and Potentially Productive Wells and Pools

Well ID other than a qualifying well:

- A spacing unit that contains a productive or potentially productive well may be continued pursuant to Section 17.
- The 16-character well id format for referencing a well is as follows (e.g.100/0101-001-01W4/00). Enter the well id.
- To enter an additional well id, click the Add Well Row button at the bottom of screen.

Zones:

- Identify all producing, productive or potentially productive zones when submitting supporting technical data for Section 17 applications. To add zones to the application, click on the Select Zones button and check the corresponding box. One or more zones can be selected.
- **ALL producing, productive or potentially productive zones must be listed.** Failure to identify zones in your application may affect the success of your application.
- If an agreement in your application is zone specific (e.g. a natural gas agreement; an agreement with rights “excepting” petroleum and natural gas in one or more zones), **include a correlation between the wells in**

the agreement and the well quoted in the Zone Designation.

Selection of Land: For each eligible well, you have the option to select up to 9 sections based on a producing, productive or potentially productive well providing the selected sections touch or corner the section containing the '17' well.

Note: A horizontal (Hz) well is considered one well and it may increase the eligible area in which to select up to 9 sections.

- To make your land selection, click on the Select Sections button. All lands that were applied for in the Agreement Node will display.

Data provided for zone: Completing this checklist is optional, and may be used if your company finds it is a helpful tool for confirming the type of data submitted. Alberta Energy does not use this checklist to verify data submitted. Provide as much data and interpretation as available and relevant.

If you apply for continuation under Section 17, you are not required to submit the acceptance fee of \$25.00 per hectare with your application. If successful, you will be advised of the amount payable when you receive a response to your application. This amount will be reflected on your monthly statement.

Verify/Submit an Application

- To verify your application you may select the Verify button at the bottom of the ETS screen. This will verify your application entries against Alberta Energy's information. This does not submit your application.
- To submit an application, select the Submit button at the bottom of the ETS screen. Your application will be verified again and if there are no deficiencies it will be submitted to Alberta Energy.

For any deficiencies in your application, an error or warning message will be displayed at the top left corner of the application. An email notification is also sent. Any errors must be corrected before you will be permitted to submit your application. Although warnings do not prevent your application from being submitted, they are designed to identify areas where you may wish to incorporate additional information to your application.

If the applicant and designated representative are different, authorization is required prior to application submission.

The ETS Request status will change to Processing (Submitted) once the application has been successfully received by Alberta Energy.

Refer to the Authorization Guide go to the [Tenure](#) section on Alberta.ca for guides, regulations and other information, or visit the Authorization training module under [PNG Continuation](#) in online learning for ETS screen captures.

Adding an Agreement to an Existing Application

An agreement can be added to an existing, and previously submitted application by using the Application Reference Number in the Administrative Tab in ETS. This is also referred to as the Application Number on your Continuation Document PDF. This should only be done if your agreement is sharing data or using the same qualifying well.

Amendment to an Application

You may amend a previous application only if the agreement is expired. To do this click on the **Amend** button in ETS. Once your ETS Request has a status of Amendment in Progress, Alberta Energy's review of your application stops and does not resume until an amendment is submitted.

Zones, land and wells can be added to amend a request and it will be considered a late application. Existing entries cannot be removed. The request will not continue until the amendment is submitted.

You may attach Geological Discussion documents; enter information in the Extension, Data, Section 15 and Section 16 tabs. You cannot enter an amendment in the Section 17 tab. Once the amendment is completed, click Submit to send the application back to the internal system.

Status will become **Processing (Amended)**.

Note: Amendments may be subject to a late application penalty for any land and/or zones not applied for at agreement expiry.

Client Withdrawn

If something is missed in the original agreement application, and it is prior to expiry, you must withdraw the application and resubmit. To do this you click the **Withdraw** button. Once completed the ETS status will become **Client Withdrawn**.

Note:

- Withdrawing an application will remove it from Alberta Energy's records. Any offers made by Alberta Energy on the agreement are also rescinded at the same time.
- When submitting a new application for the agreement, you must apply for all lands and/or zones that you want reviewed.

Amend vs. Withdraw

If you have successfully submitted an ETS Request to Alberta Energy and a change or update is required, there are two options available depending on the expiry date of the agreement.

1. If the change is required **PRIOR** to the agreement expiry date, the applicant must **withdraw** their ETS Request and submit a new ETS Request. You may "Copy the original ETS Request and add or remove information as needed.
2. If the change is required **AFTER** the agreement expiry date, the applicant has to amend the submission. An amendment may include adding lands, zones or wells to your request. The system will not allow information to be removed as Alberta Energy reviews the amendments/additions along with the original submission.

Amendments after agreement expiry are reviewed under Section 14.2 of the Petroleum and Natural Gas Tenure Regulation and may be subject to a late application penalty.

Note: Alberta Energy's response times will start over when any new or amended requests are submitted (e.g. if an ETS Request is submitted on May 1, 2021, and an Amendment is received on May 26, 2021, our response time will be determined from the May 26, 2021, submission date.)

Notes on Technical Data

All submitted data is retained by Alberta Energy, with the exception of seismic lines, which may be

returned upon request (check Return Seismic Lines box in Admin Tab in ETS).

ALL DATA IS HELD CONFIDENTIAL. Your data is not made available to any other party, unless authorized to do so by the party who provided the data. No information submitted for a continuation is used for any other application, even if it relates directly to another agreement.

If you wish your data to be used in support of another company's application, you must authorize Alberta Energy to do so through the Authorization process on ETS.

Please obtain authorization from another company to use their data that was submitted previously (within the past 12 months), or that is being forwarded to Alberta Energy by the other company.

You may refer to previous data submitted by your company within the past 12 months to support a current application. (Data Tab in ETS).

You may present data in person to Alberta Energy at the Edmonton office by contacting the PNG Continuation area to book a meeting. Your application must be submitted through ETS prior to expiry. Please have the following information ready:

- Preferred date, time and length of meeting (if possible, have an alternate date available)
- PNG agreement number(s)
- Zone(s) being addressed; Type of application (Section 15, 16 or 17)
- Who will be attending and their professional designations
- Type of data being presented (geological, engineering, geophysical)
- Audio-visual equipment required.

All relevant data should be included with your application. Note that data submitted to the AER is not available to Alberta Energy, with the exception of well information, production data and test data that is non-confidential. Data that has been released from confidential status for less than three months, and data that has only recently been submitted to the AER (e.g. recent test or production data), may not be available.

Following Alberta Energy's initial review of your application, you may be advised of any deficiencies.

Failure to respond in a prompt manner may affect the result of your application.

ALL producing, productive and potentially productive zones must be listed.

(Section 15, Section 16 and Section 17 Tabs in ETS).

Copies of well logs and cross-sections should include a large enough interval to correlate the zones (e.g. completed interval plus regional markers above and below).

"Zone" is defined in the PNG Tenure Regulation as a stratum or series of strata considered by the Minister to be a zone for the purposes of this Regulation. In many cases zones may be geological formations, but in some instances they are larger and include more than one formation (e.g. the Mannville zone includes numerous formations). If you are mapping several formations in the same zone (e.g. Glauconitic, Basal Quartz, Ostracod), list the data supplied for each formation in a separate Production Row in your application.

Supporting data may include all types listed in different sections of this guide, as well as:

- Maps including paleogeography, facies development and trend maps
- Core or sample descriptions
- Geological or technical references
- Engineering data including oil and gas analysis and pressure data
- Reserves information including material balance and volumetric calculations
- Test data such as spinner surveys or RFTs
- Surveys for horizontal or deviated wells with vertical and horizontal projections of the well's trajectory

Once Application is submitted Continuation Response Times

ETS Requests and applications are electronically time stamped with a submission date. This date allows us to determine if the application is received on time or if it is subject to a late application penalty. If a client indicates on their submission that technical data is being sent by mail or courier, we wait 5 business days before processing the application. As PNG Continuation has established response times, if the supporting data is not received within 5 business days, the application is reviewed without it.

Note: PNG Continuation response times start once a completed application is received. Therefore,

response times could begin as early as the application submission date (if no data is being submitted), the date technical data is received or after the fifth business day from the submission date.

Pending vs. Processing for Offers in ETS

Requests have many statuses to guide applicants/clients through the review process so they know where their request is at.

Once a request has a status of **Offer** you may review the **Offer Options** and decide if you are going to Accept, Decline, submit a Request for Review (after agreement expiry), submit additional Data (before agreement expiry) or Customize your response. Every Offer has an **Offer Expiry Date** displayed near the top of the screen.

After you have made a selection and saved for each Offer Option you have **two** choices:

1. You may click the **Submit button only**. This will change the status of your request to **Offer Response Pending**. This status indicates that you have made your decision for the Offer Response but you have not submitted it to Alberta Energy.

When the status is at Offer Response Pending, you can make changes and then resave and submit again. Changes can be made up until the Offer Expiry Date but you must remember to **submit again once your decision has been made**.

Note: Once the Offer Expiry Date is past, ETS will automatically send your Offer Response to Alberta Energy. Once Alberta Energy receives the response, the status will change to Processing (Offer Response Submitted).

2. You may **check off the box at the bottom of the Offer screen authorizing Alberta Energy to finalize the agreement prior to the Offer Expiry Date AND click the Submit button**. This will change the status of your request to **Processing (Offer Response Submitted)**. After the offer expiry you are not able to make any changes to your response. If you are submitting additional data or submitting a request for review, you may want to check this box (finalize agreement prior to the offer expiry date) so your response is actioned once the data is received.

Note: By checking off the box to surpass the Offer Expiry Date, it will not flag your agreement as a rush. It simply means that your PNG agreement will be placed into the offer response work list sooner, rather than waiting for the offer response expiry date. Alberta Energy has one month from the Offer Response received date to process.

Early Response Checkbox for Offers

AFTER agreement expiry:

- If the Early Response checkbox is checked you **CANNOT** make any changes to your offer response. Your response is final and cannot be revoked.
- If you are submitting additional data or a request for review, you will want to check off that related box so that we can action your response once the data is received.

PRIOR to agreement expiry:

- If you wish to change your Offer Response decision only, contact Alberta Energy to have the Offer returned to you. The Offer will be returned and the ETS status will return back to an Offer response status.
- If you wish to add a Section of Act, lands, zones and/or wells, you must withdraw your application and submit a new complete application.

Notification Emails for PNG Continuation Clients'

ETS sends PNG Continuation notification emails to the ETS application contact as a courtesy to notify your company that documents are available for review and/or action. Ensure contact information is current so all notification emails are sent to the appropriate person. The email includes information on where to locate the ETS Request (e.g., Work in Progress, Authorization or Request Status). The [ETS Notification for ETS PNG Continuation Client's Guide](#) provides an explanation of these emails, including the reason for the email and who receives each email.

Note: Email notifications should not be relied on to track PNG Continuation Applications in ETS. Best practise is for clients to monitor their requests on a regular basis. Users can search the status of a request any time in the Work in Progress screen by ETS Request number, agreement number or the application ID. Requests can also be searched and sorted by the status of the request to find time sensitive business, ie., request status of Offer.

Response Times

Once your application has been successfully submitted please allow:

- Two months for processing Section 15 and Section 17 applications.
- One month for processing Advance Rulings, Extensions and Section 16's applications.

Note: At the discretion of Alberta Energy, response times may be extended.

No Applications

In those instances where no application for continuation is made, and Alberta Energy determines there is eligibility under the PNG Tenure Regulation, we will initiate the process by creating an application, offer or final letter through our internal system. The system generated application will have a request number assigned and the Designated Representative name populated on the affected PNG agreement number. If you receive a final cancellation letter, some of the PNG agreements may also appear on the monthly Agreement Cancellation Report.

An email will be sent from ETS informing your company's site administrator that an application has been created and action is required.

You may review the offer letter and if satisfactory, accept or decline the offer by completing the offer response and submitting it. Otherwise, you can decline the offer by not providing a response before the Offer Expiry Date.

Note: Request for Review is not available as an offer response option in this situation and contact information must be provided in the Administration Tab in order to submit a response.