

# RECAP

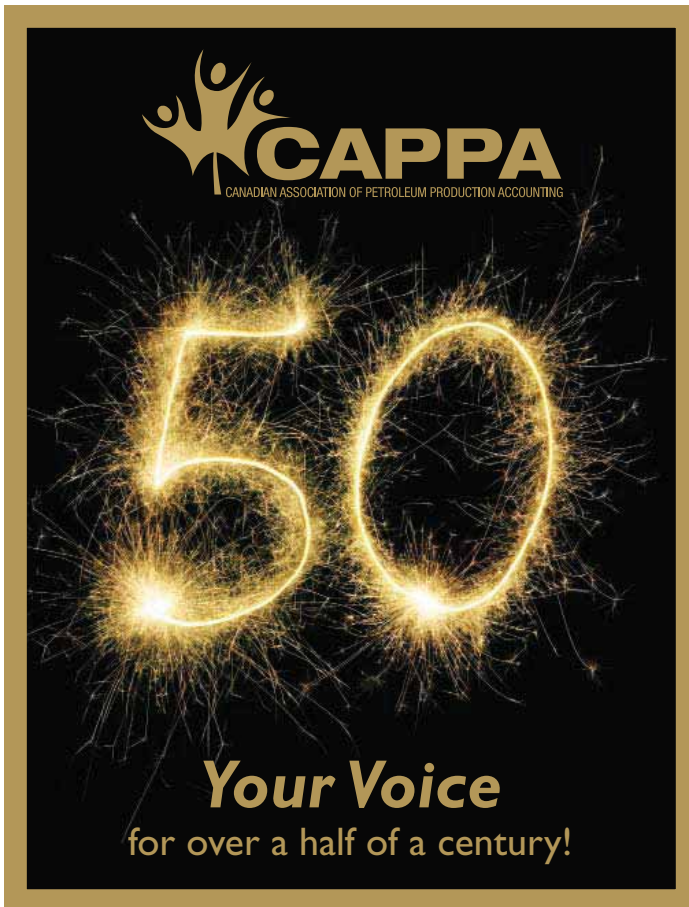
Volume: 1 Issue: 2

June 2011

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*The Voice of Production Accountants*



# CAPPAFACTS

**C**APPA has produced a newsletter continuously since 1962. It was in 1989 that Colleen Allin came up with the brilliant suggestion of calling it the RECAP.

It is interesting to note that CAPP (The Canadian Association of Petroleum Producers) also produce a newsletter which they also call the RECAP. They first started using this name in 1991, two years after CAPP started using it.

## Letter from the Editor

Yvonne Brown – Chief Editor

### Wow!

Thank you for all the encouraging feedback on the new RECAP, we really appreciate your support. We are very excited to bring you our Anniversary Edition; we hope you find this issue equally as enjoyable. We were fortunate enough to have the benefit of APPEGA'S Chief Editor, George Lee, critique our last issue and give us invaluable advice to help this issue rise to another level. George, we are truly grateful to you for giving your time and knowledge to help CAPP with its magazine. In this edition we have

called upon Government agencies and our own GLEI team to help us identify and communicate what Production Accountants need to know. We have added a feature article on why CAPP was formed and the foundations on which it was built. We would like to express our humblest gratitude to co-founder, Brian E. Smith, for his interview that guided us on unravelling our origins. We have added several other features that we feel have dramatically enhanced this issue. The RECAP would not be possible without the continued generous support of our Board

of Directors and Committee members whose contributions and hard work keep CAPP strong. Lastly, and most importantly, we would like to thank you, our members, who have shown us you believe.

RECAP Editors, Artistic  
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Martin Beach, Trish Hoskin  
and Yvonne Brown

Publisher:

Tina Howard,  
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## President's Message

Sean Nicholson – President

**N**ow that we are through a particularly long winter season, let's all hope for a nice long summer!

Here are some of the exciting things that we have in store for the near future.

We are working hard to get our new website up and running as soon as possible. Our new website will be much more user friendly and will have more useful information for all our members to access and share.

We are also having our 6th Annual Charity Golf Tournament on Tuesday June 21st at Heatherglenn Golf Course. The golf tournament has always been a great way to network with fellow Production Accountants and is an integral part

of CAPPA's culture. Our first golf tournament was held in 1966. I hope to see you there.

As we wind down our fiscal year end (which runs from July 1st to June 30th) it is budget time for all our Directors. We hope to put together a balanced and fiscally responsible budget that will help us add value to CAPPA programs, making CAPPA more valuable to its members and ensuring that CAPPA is viable and productive well into the future.

Our membership drive will kick off on July 1st. Membership does have its privileges, including free admission to the CAPPA AGM luncheon, which will be held on September 21 at the Hyatt Regency Hotel, RECAP magazines, and the latest industry information. You



also get preferential pricing on the CAPPA conference, seminars and the many informational luncheons. It is very easy to renew your membership. A registration form is provided at the back of this magazine, or you can register online.

On behalf of the Board of Directors I wish you all a safe and happy summer and I hope to see you all at our AGM in September.

Have a great summer everyone!



**I**n 1978 CAPPA elected their first female President, Donna Rygiel of Calgary. Amazingly, however, five years after this (1983) the Federal Minister of Energy, Patricia Carney, was denied entry into the all male sanctum, the Calgary Petroleum Club. How times have changed.

In 1967, the CAPPA Board of Directors expanded to include four portfolios; Education Director Norm Hagel; Special Events Director Chester Kulscar; Program Convenor Harold Woodman; and Membership Director Merv Gogal.

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Financial smarts and we're  
movin' on up!

## SO WHO IS CAPPA ANYWAY?...

The Canadian Association of Petroleum Production Accounting is a professional organization. We provide opportunities for education, influence regulations and strengthen industry standards. We also foster relationships among our members, education institutions and member associations. In short, we are an organization for our members.

# Balance

## CAPPA JUNE LUNCHEON

Small changes to help you slim down, power up  
and improve your health

Michelle Magnan has interviewed top health and wellness gurus, ranging from Dr. Oz, the popular TV show host, to Tim Ferriss, author of *The 4-Hour Body* and *The 4-Hour Workweek*.

**Date:** June 22, 2011

**Time:** 11:30 am to 1:00 pm

**Cost:** \$40 members/  
\$50 non-members

**Location:** Hyatt Regency

**Register:** [cappacom@telus.net](mailto:cappacom@telus.net)



# Film Review: The Green Hornet

Nigel J. Brown

**S**eth Rogen and Evan Goldberg (writers of Pineapple Express and Superbad) continue their comic rampage with their third feature, The Green Hornet, a hilarious revival of the comic book classic.

The film begins with millionaire party boy Britt Reid (Rogen) and genius/mechanic/karate expert/barista Kato (Chou) sitting around wasting potential. But after the death of Britt's father, the two have a simultaneous revelation to become vigilante heroes. They, however, decide to do things a little different. They fool the general public into thinking they're the bad guys. Together these two wipe out L.A.'s biggest criminals until the biggest of them all, Benjamin Chudnofski (Christoph Waltz), decides to take them down.

This film's amazing cast includes the ever funny Seth Rogen, James Franco, and academy award winner Christoph Waltz. Other brilliant actors we haven't seen in a while such as Tom Wilkinson (Rocknrolla), and Edward Furlong (American History X) contribute to the movie's success.

Along with these excellent and well-established actors we come across a relatively new rising talent by the name of Jay Chou. He plays the role of Kato. A major Taiwanese pop star but unknown in North America, Chou has been steadily crossing over into Taiwanese films and has now made a major breakthrough into American film.

There is no arguing that this is a very funny movie and one that I will be referencing for a while. All the things that make The Green

Hornet comics so appealing are in the movie including the amazing car, the classic green lighting, and all of Kato's gadgets. I myself am not a big comic book fan but this could convert anyone into a reader.

There are unfortunately some times when the movie slows down into some laughless lulls including a fight sequence that is supposed to be silly and funny but ends up being long and boring. This could be expected from most film makers but not from the guys who made Superbad (they set an almost unreachable bar for themselves with that one). That said, The Green Hornet stays true to the comic style of Seth Rogen and Evan Goldberg that fans have come to know and love. Although this movie doesn't quite reach the bar of Superbad, I would definitely recommend giving it a watch.



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CANADIAN ASSOCIATION OF PETROLEUM PRODUCTION ACCOUNTING

## 9th ANNUAL FUNSPIEL

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# Education Matters

Bruce Maurer – Director, Education

The Education Coordinators are presently reviewing and editing the notes for the upcoming year. CAPPA endeavours to be proactive to ensure our notes are current with the industry changes. We are fortunate to have highly qualified individuals to provide their expertise to this undertaking.

Our seminar coordinator, Rob Chizek – Encana, has been very busy working with his seminar subcommittee, along with various industry experts to develop seminar/workshop materials that would be beneficial for CAPPA’s members. In April and May a Gas Allocation seminar, instructed by

CAPPA Past President Al McCue, was offered at MRU. Also in May, back by popular demand, we offered the EPAP Schematics Seminar (Instructor – Robert Elliott) at MRU. Both were extremely successful and reviews were glowing! Going forward, the Seminar committee will be putting together a schedule of seminars that will be offered throughout the year. This will allow our members to book well in advance.

Stay tuned to the RECAP, as well as emails, for dates and times of seminars/courses being offered through MRU and SAIT.

## 2011/2012 Seminars

- Gas Allocations
- Schematics and Facility Identification
- Alberta Allowable Costs (GCA)
- EPAP Best Practices (June 25)

Ideas for development next year:

- Soft Skills (Communication/ Negotiation Skills)
- Freehold and Overriding Mineral Taxes
- Saskatchewan Registry
- Directive 17 and 76
- IOGC

We welcome suggestions for new topics.



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# Membership Survey Results

Lynn Spicer – Director, Member Services

Thank you to all of you who completed the CAPPA Membership Survey. We have compiled the results and hope you find the following information as informative and helpful as we have.

What is your primary reason for joining CAPPA? (Tick all that apply)		
Answer Options	Response Percent	Response Count
RECAP	39.4%	100
Conference	59.4%	151
Events (Golf, Curling)	9.4%	24
Seminars	50.0%	127
Luncheons	37.8%	96
Networking	71.3%	181
answered question		254
skipped question		0

Which of the following Association events have you attended in the past 5 years? (Tick all that Apply)		
Answer Options	Response Percent	Response Count
Conference	72.0%	183
Seminars	32.7%	83
Luncheons	67.7%	172
Golf	13.0%	33
Curling	5.1%	13
CAPPA Courses (SAIT/MRU)	37.0%	94
answered question		254
skipped question		0

We would like feedback on our events. Which of the following events would you like to participate in:		
Answer Options	Response Percent	Response Count
18 Holes - Charity Event (Day Event)	31.2%	43
18 Holes - Not a Charity Event (Day Event)	21.7%	30
9 Holes (Late Afternoon Event)	30.4%	42
Bowling	41.3%	57
Skiing	13.8%	19
White Water Rafting	26.1%	36
Horseback Riding	24.6%	34
Guided Hiking Trip	36.2%	50
Curling	15.9%	22
Other (please specify)		20
answered question		138
skipped question		116

## Membership Survey Results (continued)

CAPPA is looking for feedback on our monthly luncheons. What type of luncheons do you enjoy?

Answer Options	Response Percent	Response Count
Soft Skills (ie. Listening, Mentoring and effective communications) only	6.8%	16
Production Accounting Skills (ie Schematics, Measurement and FHORR) only	27.4%	64
A mixture of Soft Skills and Production Accounting Skills	76.1%	178
answered question		234
skipped question		20

What type of one day Seminars would you attend?

Answer Options	Response Percent	Response Count
Soft Skills (ie. Listening, Mentoring, Effective Communications) only	8.8%	21
Production Accounting Skills (ie. Schematics, Measurement, FHORR) only	37.9%	91
A mixture of Soft Skills and Production Accounting Skills	65.8%	158
answered question		240
skipped question		14

What type of Education opportunities would you like to be offered from a Production Accounting perspective?

Answer Options	Response Percent	Response Count
Advanced CAPPA Diploma	50.7%	106
Revenue Accounting Courses	48.3%	101
Production Accounting Software Courses	61.2%	128
Financial Software Course	33.0%	69
Land Management Course	48.8%	102
Other, please specify	8.1%	17
Other (please specify)		31
answered question		209
skipped question		45

# What You Told Us – Membership Survey Results

Lynn Spicer – Director, Member Services

**T**hank you to all of those who participated in the membership survey. There were several consistent themes throughout the feedback portion of the survey, which we have addressed below. We at CAPPA are striving to improve communication with our members and are attempting to answer the questions you asked on the surveys you completed for us.

## **1) CAPPA seems to focus more on the junior intermediate members and less on the senior level members. There isn't much benefit for the senior PA's.**

We agree that we have fallen short in this area in previous years and are now attempting to rectify this. In 2010, Rob Chizek of Encana, took on the role of Seminar Coordinator. Rob and his very talented team have been extremely busy writing seminars that are designed to target the senior Production Accountants, team leads and managers. We have had a fantastic response to these seminars and will continue to look for more ways to improve.

## **2) CAPPA needs more networking and social events.**

This is an area where we would like to show significant improvement. Networking opportunities are one of the most important things we can offer our members.

As a result of this survey more social events such as a pub night will be considered. More info to come on this.

## **3) It is very difficult to attend sessions, luncheons and social events when you live north of Edmonton. Could CAPPA hold sessions in the north?**

This is an excellent suggestion. CAPPA does provide seminars to private companies upon request. But we believe we can do more. We will be looking into providing professional development opportunities in places like Fort St. John, Saskatoon and other areas besides Calgary. This suggestion will be put on the agenda for the next board meeting.

## **4) CAPPA should ask its members what they would like to see at the yearly conference in terms of sessions, speakers and workshops.**

This is another excellent suggestion. We have forwarded this on to the conference committee and will also be discussing this at the Board level.

## **5) Who can write for RECAP?**

Anyone. We are looking for inspirational stories or pieces that would be of interest to our members. Please feel free to contact the CAPPA office if you have something to write about.

## **6) CAPPA needs a far stronger educational program. People who have only a CAPPA certificate cannot be hired because they are not qualified and will not be successful at doing something like a Gas Plant PA desk.**

The purpose of the CAPPA education program is to provide students with strong theoretical knowledge so they can work in this industry. We recognize, however, that all desks/properties have their own unique requirements. With CAPPA's five levels, our students enter the workforce with fundamental PA tools and a good foundation of the theory behind production accounting.

As in other professions, new employees benefit significantly from on-the-job training and mentoring. We have feedback from companies who have interim mentorship programs in place, that our PA's demonstrate considerable success due to the fundamental background the CAPPA levels have given them.

That said, we are always looking for ways to improve our programs and we welcome feedback from our members. CAPPA supports its Production Accountants.

*(continued on page 12)*

## Membership Survey Results (continued)

(continued from page 11)

### 7) Offer subject matter experts to answer industry production reporting queries for general reference.

Posting production reporting processes by industry in an anonymous manner to preserve privacy; production reporting systems used, EPAP status?

We agree. We have just partnered with the Petroleum Registry and

the GLEI committee to answer industry questions. All questions can be directed to CAPP at [cappacom@telus.net](mailto:cappacom@telus.net) with "RECAP" in the subject line.

### 8) Does CAPP have a job board (both to recruit and to be recruited)?

Yes. The CAPP job board can be found at [www.cappa.org](http://www.cappa.org) in the Member area. Both employers and potential employees are able to post/browse jobs.

*Note: This is your association. We welcome your feedback, and if you have any questions, either technical or about the running of CAPP please feel free to contact us at [cappacom@telus.net](mailto:cappacom@telus.net).*



### CONGRATULATIONS CAPP ON YOUR 50 YEAR JOURNEY! WE ARE PROUD TO HAVE BEEN YOUR PARTNER THROUGH IT ALL.

Together, we have delivered hundreds of courses, watched as great milestones were met, partnered to move curriculum online, and continue to produce a steady stream of competent professionals through the CAPP Certificate program at SAIT Polytechnic.

We look forward to continuing to work with you to support production accountants for the next 50 years and beyond!

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YOUR  
PASSION**



# *Welcome to the Club!*



## *Our Members get the Royal Treatment*

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*CAPPA Membership is available upon request for \$105*

**Membership Drive starts July 1, 2011**

# Communications Report

Cheryl Mahoney – Director, Communications

**W**e have had some exciting lunch topics with some very enthusiastic speakers. Introducing a mixture of soft skills and technical skills has been extremely well received. We took on these topics because we are aware that industry focuses not on only technical skills, but also on your personal development. Thank you to all of the speakers who participated this year!

The Luncheon venue was moved to the Hyatt as we felt it was more convenient for members to get to.

Feedback on this has been very positive. We thank you all so much for your input.

I could go on for days about our new and improved website, but why don't you just see for yourself at [www.cappa.org](http://www.cappa.org).

I'd also like to thank Yvonne and Martin for the huge effort it took to change the look and feel of the RECAP and the website. Both have spent an amazing amount of time on this publication in order to provide members with a professional looking magazine/

website. You guys have done an unbelievable job and I can't thank you enough.

Don't miss our last luncheon before we break for the summer. Michelle Magnan is an up-and-coming motivational speaker with some life tips. Hope to see you all there!

As always, please contact our CAPPA office if you have any suggestions for lunch topics or if you would like to speak at a CAPPA lunch.

## Energize Your Career

### CAPPA Level Five

If you have been out of the work-force for a while, or just need to brush up on your skills, CAPPA level 5 could make a significant difference in helping to get you back on track.

CAPPA level 5 is a case study that simulates working through a complete monthly production cycle. It was created to offer a hands-on experience for Production Accountants. Our instructors are qualified subject matter experts that will be able provide you with their industry experience and knowledge.

If you are interested in taking CAPPA level 5 and are in need of more information please contact the CAPPA office at 403-265-1533 or email us at [cappacom@telus.net](mailto:cappacom@telus.net).





## UPDATE ON INITIATIVES WITH OTHER JURISDICTIONS

### British Columbia

Latest developments include the “New West Partnership Energy Memorandum of Understanding” which was signed on December 16, 2010 in which the Petroleum Registry of Alberta (Registry) is referenced. In follow-up discussions we have offered to hold sessions with the various ministries of the B.C. government connected with this initiative in order to raise their awareness and understanding of the Registry.

### Manitoba

Industry, the Registry Team and the Manitoba Ministry of Innovation, Energy and Mines (MIEM) have completed the deliverables of the Preliminary Fact Finding Process in accordance with Registry protocols. The most recent meeting on this initiative was held March 31st with major Manitoba oil and gas producers to increase their level of awareness of the Registry. Industry attendees provided positive feedback and the next step is for the Canadian Association of Petroleum Producers (CAPP) to schedule a meeting with senior MIEM government representatives.

### Saskatchewan

We continue to move forward with the Registry Saskatchewan Inclusion Project (RSIP), a major initiative for the governments of Saskatchewan and Alberta and the upstream oil and gas industry. As mentioned in the last Issue of RECAP, the implementation date has been extended to April 2012 (March 2012 production). Acceptance testing of RSIP Phase 2 is currently underway. The development phase for RSIP Phase 3 is progressing. Readiness activities continue and the Crown/Industry communications roll-out continues as planned. The Saskatchewan Ministry of Energy and Resources and the Registry Team are working with RSIP Change Leaders on the “Seven Steps to Readiness” for companies to be ready to start reporting in April 2012 (March production).

These “Seven Steps” include:

1. Identify and Register a Change Leader for your company.
2. Understand the Impacts of RSIP on your company.
3. Have a Plan to respond to the changes being introduced.
4. Prepare your Systems.
5. Ensure your users are trained for their specific roles.
6. Implement required “Pre Go-Live” and “Initial Go-Live” activities.
7. Go-Live and get the benefits.

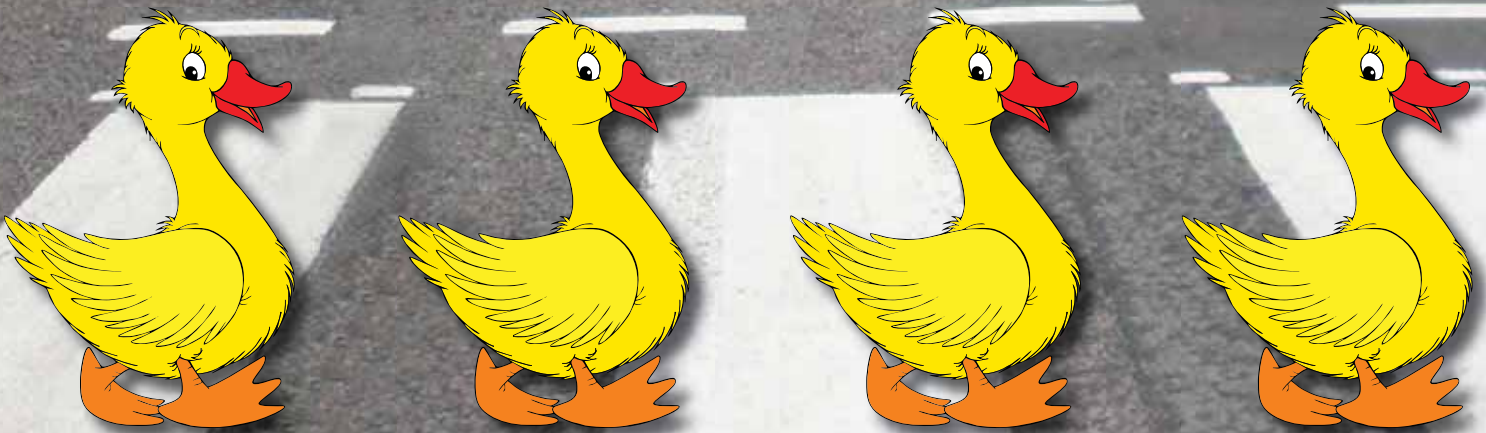
More information on these and other RSIP readiness activities are available in the Registry Saskatchewan Inclusion Project Industry Readiness Handbook located on the Registry website, by clicking on the RSIP link on the right-hand side of the web page. This link brings you to the Registry Saskatchewan Inclusion Project Communications page, with additional links to Government of Saskatchewan Communiqués, Registry Saskatchewan Change Leader Communiqués, Presentations, and the Industry Readiness Handbook.

### FREQUENTLY ASKED QUESTIONS

We would like to propose a regular section to the Petroleum Registry Update page of the RECAP, called “Frequently Asked Questions”. If there are any questions that you have related to the Registry, please forward them to the Registry Service Desk at [petroleumregistry.energy@gov.ab.ca](mailto:petroleumregistry.energy@gov.ab.ca) or the CAPP office at [cappacom@telus.net](mailto:cappacom@telus.net) and we will post the responses in this section.

We've got our ducks in a row

Come Together!



CAPPA AGM – SEPTEMBER 21, 2011

# Recapturing the Vision

An interview with Brian Smith

**B**rian E. Smith, PA, is one of only four remaining founding fathers of CAPPA.

In 1948, after finishing high school, Brian started working for the Conservation Board. Brian's job was to maintain the record of Atlantic overproduction volumes. Brian was given on-the-job training and worked tirelessly on gigantic handwritten spreadsheets. Brian learned the job quickly and soon became a mentor, all for only \$95 a month.

Brian left the Conservation Board after three years, trying his hand at various jobs in the oil and gas industry, such as lab tech and seismic. After spending months in the field Brian decided he wanted to work as an Engineering Clerk, now known as a Production Accountant. Brian's solid understanding of science and strong head for arithmetic made him an ideal candidate for this technical position.

Feeling isolated in this fast evolving industry, Brian wanted to talk to some of his peers. Brian called up a fellow Production Accountant, Ian Hartley, and the pair went for a pint to discuss different ways of handling problems that they both faced. Soon the two turned into ten, and the group met regularly over more pints. By 1955 a great fellowship had formed where they felt comfortable exchanging ideas and information. Brian explains

that this was actually the beginning of CAPPA and they felt they were an association and acted like one around 1955. He further explains that they didn't have any by-laws or any of that rubbish back then, however, they ran the association on common sense. They were a group of friends chatting and learning from one another. When the group reached about 24, it became difficult to get a word in edge-wise and they began to see the need for organized regular meetings. The desire to become knowledgeable, and to bring in guest speakers, became the driving force to form an association.

In 1961 the group of eight founding fathers wrote bylaws and submitted their application to become a society. Included in their application was their vision for CAPPA; to educate its members, to keep its members informed, and to provide opportunities for its members to network and develop friendships. On September 27, 1961, the official society certificate was signed which made CAPPA an association.

Brian speaks with great passion about CAPPA's members and volunteers. Over the years these people have truly helped CAPPA evolve. The current Board of Directors refers to this year as the "Year of Change", but it is perhaps ironic that we have ended up reaffirming the founding father's original vision.



To Brian and all the founding fathers, CAPPA salutes you! Your vision has encouraged us to form strong friendships and a sense of community within our profession. Without the founding fathers' hard work, dedication, and desire to help their fellow production accountants, our industry would not be what it is today.

Thank you, Ian Hartley, Larry Staves, Stephen Boros, John Bains, Len Pasychny, Joseph Babott, Clancy Patton and Brian Smith.





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At the Ministry of Finance, we are committed to providing excellence in customer service to businesses in British Columbia.

**Bulletin MFT-CT 006**, *Self-Assessing Motor Fuel and Carbon Tax*, has been issued to explain the requirements for self-assessing and paying tax on fuel and combustibles used in British Columbia.

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Regards,

Terry Petrucci  
Manager, Public Information and Distribution Section  
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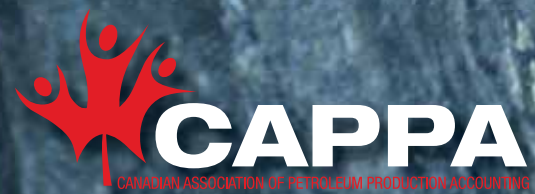
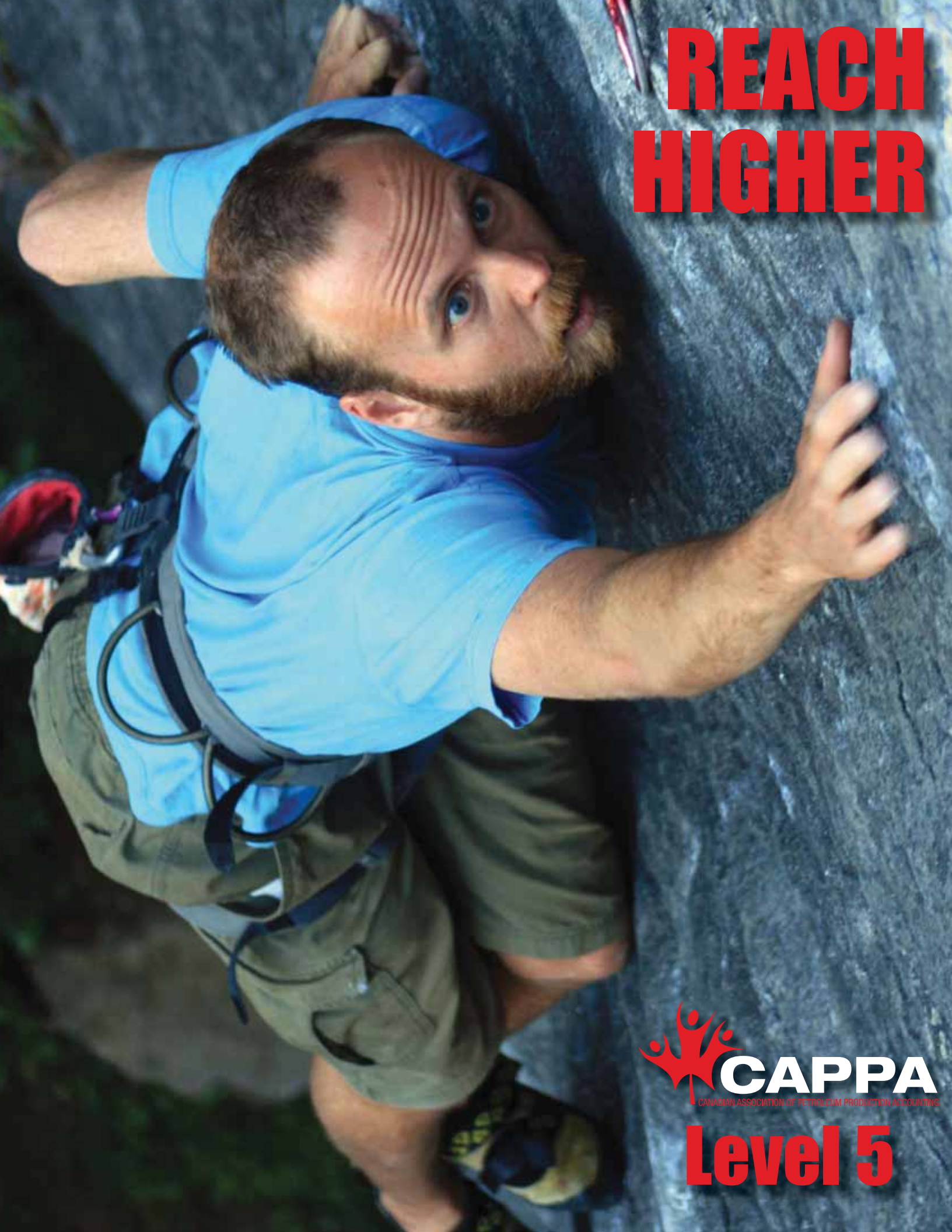
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# Drilling Royalty Credits

Jim Henderson – Director, Government Liaison and Emerging Issues

**T**he June 30 deadline is approaching quickly for companies to maximize recoveries under the Alberta's Drilling Royalty Credit (DRC) program.

## The DRC Program

This program provides for a \$200 per meter credit to royalty payers for wells spud on or after April 1, 2009 and before April 1, 2011 with a finished drilling date on or after April 1, 2009 and before April 1, 2011.

The wells must be drilled on Alberta Crown mineral rights.

The limits for each royalty payer are calculated by the Department of Energy based on Crown royalty obligations from April 1, 2009 to March 31, 2011. The limits are between 10% and 50% of Crown royalties and are based on each business associate's Crown production during a prescribed production period.

## DRC Applications

The licensee of the well must submit the application for the credits via the Registry menu item:

- Alberta Royalty Framework
- [Edit Drilling Royalty Credit Allocation](#)

It is important to note that the application is a one time submission and the allocation to the correct

Business Associate is imperative. There are no reworks on these applications.

It is also important to note that the deadline for the application is June 30, 2011. No applications will be accepted by the Crown after that date.

## Maximizing Your DRCs

Each company will have their own unique situation regarding DRCs. Some may have DRC space available to sell or trade and some may have DRCs to sell or trade. In order to determine the limit for each Business Associate, there is a report called Drilling Royalty Credit Activity available near the end of the month in the Registry. It can be found at menu item:

- Ministry Invoices and Statements
- [Manage Invoices and Statements](#)

The final report which can be used to maximize the DRCs will be available near the end of June after the Crown invoice has been completed. There will be a fairly narrow window to file the final applications between the availability and the June 30 deadline.

For further information here is a link to DRC frequently asked questions.

[http://www.energy.alberta.ca/About\\_Us/1558.asp](http://www.energy.alberta.ca/About_Us/1558.asp)

## EPAP Update

Renee Deveau – EPAP Chair

“ERCB Directive 017 – Measurement Requirements for Oil and Gas Operations” has been updated as of April 18th, 2011.

This Directive contains valuable

measurement and PA reporting requirements and form the basis of CAPPA's best practice documents.

Be sure to review and apply changes to your reporting, where

applicable. Go to: [www.ercb.ca](http://www.ercb.ca) to the Industry Zone and under Regulations.



# 50 years!



Congratulations from Mount Royal University to all CAPPAs members, past and present on this important milestone.

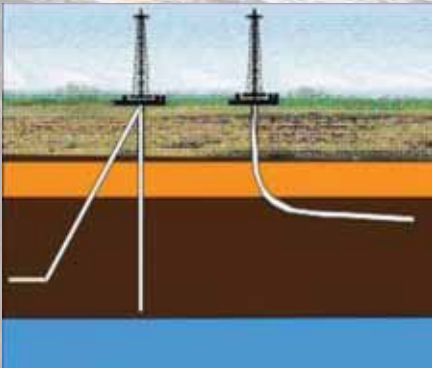
[mtroyal.ca/conted](http://mtroyal.ca/conted)



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# Shale Gas 101

**S**hale gas is natural gas attached to or absorbed in organic-rich rocks and interbedded with layers of siltstone and sandstone. It is considered to be an “unconventional gas” source as the gas is contained in reservoirs that are difficult to produce. Canada has significant unconventional resources of natural gas with emerging new opportunities existing from coast to coast, including Alberta, British Columbia, New Brunswick, Quebec and Nova Scotia.



Since shale gas has very low permeability; horizontal drilling and multistage fracture stimulations have been developed to intersect and create fracture pathways that will allow the gas to flow to the well. Oil and gas companies have supplied significant resources and expertise in developing and improving these stimulation techniques and other shale gas technologies in order to reduce the cost of bringing a shale gas well on production.

One such technology that has improved flow rates and costs is

the use of multi-staged fracture stimulations. The horizontal leg is separated into stages that are separated by plugs or packer systems. Each stage will then be artificially fractured separately, the plugs or packers are removed, and then the gas can flow up the production tubing to surface (Figure 1).

Fracturing involves injecting high volumes of water, mixed with sand, at a high pressure into the targeted shale. Presently, oil and gas companies are investigating ways of reducing the large quantity of fracture fluid required and/or methods for recycling of the recovered fracturing fluid. **This is where measurement and production accounting departments need to get involved to ensure accurate measurement and recording of the recovered fractured fluid occurs.**

Due to the high volatility of natural gas prices, based on supply dynamics and economic recession, continued improvement and development of technologies is necessary in order to ensure that the cost of producing shale gas is economically viable.



## REGULATIONS

Shale gas is regulated under the same legislation, rules and policies required for conventional natural gas. The Energy Resources Conservation Board (ERCB) regulates exploration, production, processing, transmission and distribution of natural gas within the province.

Shale Gas is reported like shallow gas but here are the differences:

1. Well Status – Shale gas wells have a different Fluid Type than Shallow Gas.
2. Facility Subtype – If the shale gas is tested like shallow gas, but outside the designated shallow gas area then the Facility Subtype is a 364. This subtype may require ERCB approval under D17, Section 5.
3. Water – I do not think Shale gas is bound by D35.

For additional information on Shale Gas please go to: <http://www.energy.alberta.ca>



**Figure 1:** Schematic illustration of horizontal well with multi-stage fracture stimulations.

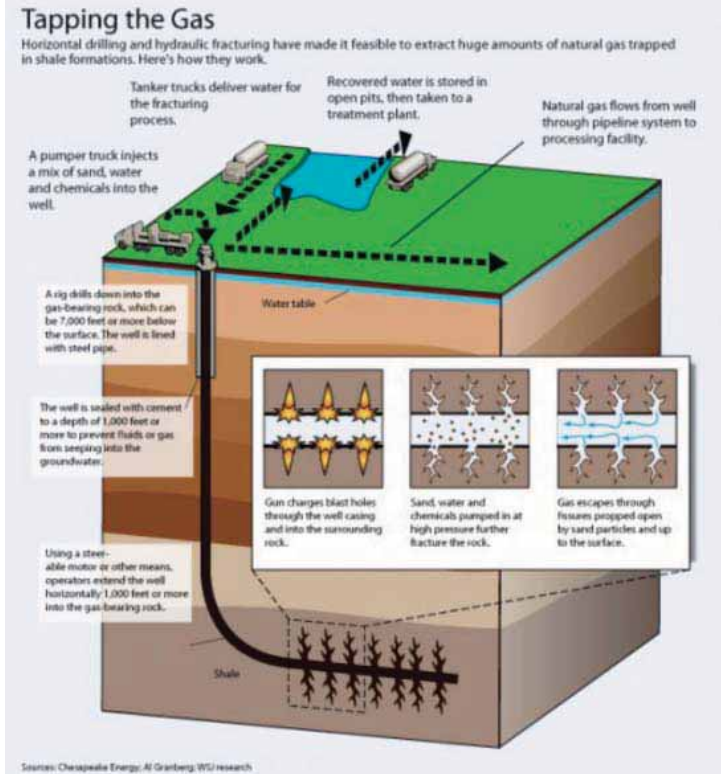
## News Related Stories on Shale Gas

Shale gas is redefining the energy market. Economists assert that the extraction of shale gas is the most important major new source of energy on the planet.

The largest reserves of shale gas are in North America. Ten years ago, it was estimated that shale gas made up only 1% of the marketplace. With the significant increase in drilling advancements, the production of shale gas today is said to contribute 25%. Who knows where it will be in another five to ten years.

China is believed to have the second largest deposits of shale gas, although it is estimated that they are a decade away from

producing theirs. But keep an eye open because China's deposit of shale gas may be the game changer in the economy of fossil fuels. Last year, China was the largest importer and user of fossil fuels. With nearly 25% of cars in China run on natural gas, the market for shale gas could increase dramatically. China already boasts a large infrastructure of natural gas



stations. It will be interesting to watch events unfold.



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# Clean Desk, Happy Life

## Why worry about having a clean desk?

Having a clean desk makes you feel organized, energized and inspired to get the job done.

A clean desk gives you mental clarity. It is far easier to focus on one thing rather than looking at a desk piled high with unfinished tasks, which is overwhelming and stressful. In other words, when you clear your work area, you have space both physically and mentally to complete whatever needs doing. On top of feeling more organized and in control, a clean desk will give the same impression to your coworkers and boss.

Another reason to clear your desk is because it's... well... cleaner. Custodial staff is instructed not to move paperwork. If your desk is piled high, it's not getting cleaned. Just imagine what could be at the very bottom of that pile.

### Tips for Organizing your Desk

1. Only have things on your desk that you need and use daily.
2. Organize your current properties into well-labeled files. Put all associated information into the appropriate file as soon as it comes in.
3. Place your current working files, which you have clearly labeled, in an upright desk sorter.
4. Ensure you have two "in" trays: one for items that are pending and the other for more time-consuming queries. If the query is going to take less than two minutes just do it.



5. Organize your electronic files/folders.
  - It's time-consuming going through previous emails or Excel/Word files to find the right one. When you have answered or read an email, move it to the appropriate folder.
  - Flag items that you need to respond to, but only if the response will take you more than two minutes. If it would take you less than two minutes, just do it.
6. Schedule time to answer emails and develop a routine for answering them. Answering emails as soon as they are received can be a bad habit

because you'll be constantly interrupted. Instead, set aside no more than four times a day to check your in box; first thing, before lunch, early afternoon and a half hour before you go home. This frees up large blocks of time to devote to the tasks on your desk.

7. The same is true with phone calls. If you are busy and are working on something that needs your undivided attention, finish the task. Return the phone call when you are done.

Most production accountants have very heavy workloads and we hope these tips will help you carve out a little extra time in your day.

# Seven Perennials for Alberta

Nick Baber

## (1) Ornamental Grasses

If I had to pick one ornamental plant that has always performed in my gardens, it is perennial grasses.

## (2) Coneflowers

They will perform in any dry or wet soil. Most species are at least 90cm tall and feature beautiful daisy like single or even double deck flowers from mid-summer to mid-fall.

## (3) Lily

Maybe Lilies are too easy and well known to include on my list, but the number of cultivars between the species is impressive in itself. The plants range for 30cm to 150cm in height and the flowers add a very tropical beauty to outdoor spaces.

## (4) Ligularia

If you have a shady space that feels damp and dark, Ligularia has an amazing ability to brighten the overall feel. They feature bright orange or yellow flowers held on spikes or panicles from spring to late summer.

## (5) Salvia

Salvia is a fine textured perennial with flower spikes under 60cm. Sage plants thrive in full sun and are most effective in mass plantings.

## (6) Sedum

These plants are excellent for sunny and dry locations, even if the soil is of poor quality. The foliage of ground hugging cultivars may resemble whorled spikes, rotini pasta or miniature roses in vibrant colors.

## (7) Hosta

Hosta produces pleasant bell shaped flowers draped upon spikes in mid-summer, but their foliage and ability to thrive in full to part shade is their true allure.



(2)



(1)



(3)



(4)



(5)



(6)



(7)



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# Book Review: Secret Daughter – A Novel

Barbara Lightfoot

**S**ecret Daughter is the powerful debut novel by Shilpy Somaya Gowda. It tells the story of a newborn girl, given away at birth in Mumbai, India, and adopted by an American couple living in California. The plot follows not only the child’s growth and search for her Indian origins, but also the effect her search has on the lives of those around her.

Gowda draws us into this story with delicate insightful sensitivity. We feel the anguish of the birth mother who secretly takes her newborn to an orphanage. We are with the adoptive mother when she comes to the aching realization that she will never bear her own

child. We feel the torment and frustrations of the husbands. But Gowda is an engaging writer, taking us through these often-painful emotional experiences without ever becoming sentimental.

Another highlight of Secret Daughter, is how Gowda explores the many differences that exist between Indian and Western cultures. We are taken to India with the American mother, feeling her sense of alienation and disgust with the appalling conditions of the Mumbai slum district. On the other hand, Gowda juxtaposes these descriptions with rich images of Indian beauty, culture, and traditions. We celebrate India

through the daughter, who travels to India in search of her history and heritage.

Secret Daughter is a book that is both emotionally engaging and culturally enriching. It is a compelling story, beautifully written and one which is really easy to recommend as a must read.

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Secret Daughter – A Novel  
 Author: Shilpy Somaya Gowda  
 ISBN: 978006 1922312  
 Pages: 352  
 Release date: March 9, 2010  
 Publisher: William Morrow  
 Genre: Literary Fiction, Multicultural Fiction



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# Conference Report

Dawn McElligott – Director, Conferences

**T**hings are shaping up well for our 2011 CAPPA Conference! We have both our opening and closing speakers booked, three of our breakout sessions scheduled (Al Romer, Sylvia Yeager and Sheryl Moody), and we are looking to have someone speak about Bitumen Royalty In Kind, also a session

on the Oil Sands.

We have met with the graphic designer for our delegate booklet. He is also designing the 50th anniversary calendar.

As the Conference draws nearer, I couldn't be more excited and proud to be a part of this very

special year for CAPPA. With so many volunteers putting in such great effort to provide our members with one of the best conferences CAPPA has ever had, I just need to say thank you to all the hardworking Conference Committee members.

Once the shy retiring wife of a petroleum production accountant herself... now she has become a tireless crusader in the battle to raise public awareness as to the challenges we face in our noble profession.

Acclaimed Industry Activist... Stress and Change Management Expert... Fashion Icon... and Certified Credit Card Utilization Consultant.

The dynamic and multi-talented Dr. Shirley Best joins us again to celebrate CAPPA's Half Century!

***Dare to be there!***



## Member Driven Investments

Yvonne Brown – Treasurer

The CAPP financial year is about to come to a close and the Board of Directors are busy planning for next year. As always, at the top of this list is to bring value back to our members. The Board is very conscious of its responsibility to be financially responsible and to keep CAPP financially strong. This year we have endeavoured to make many improvements to serve you, our members, better.

In the office, we have updated the

computers and purchased several different software packages to aid CAPP in becoming far less dependent on outside vendors. Our financials are now on QuickBooks and the RECAP is well on its way to being produced entirely in-house with the addition of top-of-the-line publishing software. We are now conducting our own member surveys and our emails are being sent out via Chimp Mail, which has great analytical features that allow us to maximize the value of our

communication with you.

We are very excited to launch our new website, which we are confident you will like as much as we do. We wanted a website that you would be proud of: sophisticated, clean, and with great functionality. As we get many requests from around the world about our program, we have added a translation feature to our website so that all our members can read the website in their native tongue.

## Got Bright Ideas?

CAPP is looking for an **OFFICE COORDINATOR** with bright ideas to join its team. We are seeking someone who has experience in the oil and gas industry, has exceptional organization skills and outstanding written and oral skills.

For more information, please go to the CAPP job board at:  
[www.cappa.org](http://www.cappa.org)





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