



BC NOTICE 2002/08

**Proposed National Instrument 51-101 Standards of Disclosure for Oil and Gas
Activities: Impact of Proposed CIM Oil and Gas Reserves Definitions and
Guidelines**

A Committee of the Petroleum Society of the Canadian Institute of Mining, Metallurgy & Petroleum (CIM) has released for public comment revised "Definitions and Guidelines for Estimating and Classifying Oil and Gas Reserves". These proposed revisions impact proposed National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* (NI 51-101) and related documents, which the commission published for comment on January 25, 2002 (see BCN 2002/06).

The definitions and guidelines developed by the CIM Standing Committee on Reserves Definitions will be incorporated in the Canadian Oil and Gas Evaluator's Handbook (the "SPEE Handbook") being developed by a Canadian committee of The Society of Petroleum Evaluation Engineers (SPEE). In turn, NI 51-101 incorporates by reference SPEE standards and terminology.

Given the final CIM text will likely be reflected in NI 51-101, the commission, together with other members of the Canadian Securities Administrators (CSA), urges readers of proposed NI 51-101 to take the revised CIM text into account when commenting on proposed NI 51-101.

The CIM Standing Committee proposal is attached to this Notice. Part 1 of the proposal would replace the existing definitions in Part 2 of the Appendix to the published version of proposed Companion Policy 51-101CP. Part 2 of the proposal will not be directly incorporated in NI 51-101 or related documents, yet is important, as NI 51-101 mandates adherence to SPEE standards generally.

Information on how to provide your comments on NI 51-101 to CSA members is set out in BCN 2002/06. The attached document contains information on how to provide comments on CIM's proposed definitions and guidelines directly to them.

February 7, 2002

Douglas M. Hyndman
Chair

Ref: Proposed National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities*
Proposed Form 51-101F1 *Statement of Reserves Data and Other Oil and Gas Information*
Proposed Form 51-101F2 *Report on Reserves Data by Independent Qualified Evaluator*
Proposed Form 51-101F3 *Report of Management on Oil and Gas Disclosure*
Proposed Companion Policy 51-101CP
BCN 2002/06

This Notice may refer to other documents. These documents can be found at the B.C. Securities Commission public website at www.bcsc.bc.ca in the Commission Documents database or the Historical Documents database.