

*Although this amending instrument amends section headers in National Instrument 51-101, section headers do not form part of the instrument and are inserted for ease of reference only.*

**Amendments to  
National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities**

- 1. *National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities is amended by this instrument.***
- 2. *Section 1.1 of National Instrument 51-101 is amended by***
  - (a) repealing paragraph (c),***
  - (b) repealing paragraph (d),***
  - (c) repealing paragraph (e),***
  - (d) adding the following after paragraph (h)***
    - (h.1) “executive officer” means, for a reporting issuer, an individual who is***
      - (i) a chair, vice-chair or president;***
      - (ii) a vice-president in charge of a principal business unit, division or function including sales, finance or production; or***
      - (iii) performing a policy-making function in respect of the issuer;,***
  - (e) repealing paragraph (i),***
  - (f) adding the following after paragraph (n)***
    - (n.1) “Form 51-101F4” means Form 51-101F4 Notice of Filing of 51-101F1 Information;,***
  - (g) in clause (s)(i)(B), replacing “reservoirs on” with “the subsurface of”,***
  - (h) in clause (s)(i)(C), replacing “reservoirs” with “subsurface locations”,***
  - (i) in paragraph (aa), deleting “and” at the end of the paragraph,***
  - (j) in paragraph (bb), by adding “and” at the end of the paragraph, and***
  - (k) adding the following after paragraph (bb)***

- (cc) "US oil and gas disclosure requirements" means the disclosure requirements relating to *reserves* and *oil and gas activities* under *US federal securities law* and include disclosure requirements or guidelines imposed or issued by the *SEC*, as amended from time to time..

3. ***Paragraph 3(e) of section 2.1 of National Instrument 51-101 is replaced with the following***

- (e) is signed
  - (i) by
    - (A) the chief *executive officer*; and
    - (B) a person other than the chief *executive officer* that is an *executive officer* of the *reporting issuer*; and
  - (ii) on behalf of the board of directors, by
    - (A) any two directors of the *reporting issuer*, other than the persons referred to in subparagraph (i) above, or
    - (B) if the issuer has only three directors, two of whom are the persons referred to in subparagraph (i), all of the directors of the *reporting issuer*..

4. ***Section 2.2 of National Instrument 51-101 is replaced with the following***

- 2.2 **Notice of Filing of 51-101F1 Information** – A *reporting issuer* must, concurrently with filing a statement and reports under section 2.1, file with the *securities regulatory authority* a notice of filing of 51-101F1 information in accordance with *Form 51-101F4*..

5. ***Section 2.5 of National Instrument 51-101 is added after section 2.4 as follows***

- 2.5 **Reporting Issuer Not a Corporation** – if the *reporting issuer* is not a corporation, a report in accordance with *Form 51-101F3* must be signed by the persons who, in relation to the *reporting issuer*, are in a similar position or perform similar functions to the persons required to sign under item 3 of section 2.1..

6. ***Section 4.1 of National Instrument 51-101 is repealed.***

7. ***Section 5.3 of National Instrument 51-101 is replaced with the following***

- 5.3 **Classification of Reserves and of Resources Other than Reserves** - Disclosure of *reserves* or of *resources* other than *reserves* must apply the terminology and categories set out in the *COGE Handbook* and must relate to the most specific

category of *reserves* or of *resources* other than *reserves* in which the *reserves* or *resources* other than *reserves* can be classified..

**8. Section 5.9 of National Instrument 51-101 is amended by**

(a) **in the title, adding “Other than Reserves” after “Resources”,**

(b) **in the preamble to subsection (2), adding “other than reserves” after “resources”,**

(c) **replacing paragraph (2)(b) with the following**

(b) relate to the most specific category of *resources* other than *reserves* as required by section 5.3;

(d) **adding the following after paragraph (2)(b)**

(b.1) have been prepared or audited in accordance with the *COGE Handbook*; and.

**9. Section 5.10 of National Instrument 51-101 is amended by replacing “5.2, 5.3 and 5.9” wherever it occurs with “5.2, 5.3, 5.9 and 5.16”.**

**10. National Instrument 51-101 is amended by adding the following after section 5.15**

**5.16 Prohibition Against Addition Across Resource Categories**

(1) A reporting issuer must not disclose a summation of any combination of an estimate of quantity or value of any two or more of the following:

(a) *reserves*;

(b) *contingent resources*;

(c) *prospective resources*;

(d) the unrecoverable portion of *discovered petroleum initially-in-place*;

(e) the unrecoverable portion of *undiscovered petroleum initially-in-place*;

(f) *discovered petroleum initially-in-place*; and

(g) *undiscovered petroleum initially-in-place*.

- (2) Notwithstanding subsection (1), a *reporting issuer* may disclose an estimate of *total petroleum initially-in-place*, *discovered petroleum initially-in-place* and *undiscovered petroleum initially-in-place* if:
- (a) the estimate of quantity or value of all subcategories are also disclosed, including the unrecoverable portion(s); and
  - (b) there is a cautionary statement that is proximate to the estimate, in bold font, to the effect that:  
  
“ The [*total petroleum initially-in-place*, *discovered petroleum initially-in-place* or *undiscovered petroleum initially-in-place*,] includes unrecoverable volumes and is not an estimate of the [value or volume] of the substances that will ultimately be recovered.”.

**5.17 Disclosure of High- and Low-Case Estimates of *Reserves* and *Resources* other than *Reserves***

- (1) If a *reporting issuer* discloses an estimate of *proved + probable + possible reserves*, the *reporting issuer* must also disclose the corresponding estimates of *proved* and *proved + probable reserves*.
- (2) If a *reporting issuer* discloses a high-case estimate, the *reporting issuer* must also disclose the corresponding low- and best-case estimates..

**11. Subsection 8.2(2) of National Instrument 51-101 is amended by replacing “in accordance with” with “under”.**

**12. Section 9.2 of National Instrument 51-101 is repealed.**

**13. Form 51-101F1 Statement of Reserves Data and Other Oil and Gas Information is amended by this instrument.**

**14. The General Instructions of Form 51-101F1 are amended as follows**

**(a) Instruction (3) is replaced by**

- (3) *The numbering, headings and ordering of items included in this Form 51-101F1 are guidelines only. Information may be provided in tables.,*

**(b) Instruction (6) is followed by**

- (7) *If a reporting issuer discloses financial information in a currency other than the Canadian dollar, clearly, and as frequently as is appropriate to avoid confusing or misleading readers, disclose the currency in which the financial information is disclosed.*

- (8) *Reporting Issuers should refer to the **COGE Handbook** for the proper reporting of units of measurement. **Reporting issuers** should not, without compelling reason, switch between imperial units of measure (such as barrels) and *Système International (SI)* units of measurement (such as tonnes) within or between disclosure documents..*
15. *Instruction (1) of Item 1.1 of Form 51-101F1 is amended by deleting “It is the date of the balance sheet for the reporting issuer’s most recent financial year (for example, “as at December 31, 20xx”) and the ending date of the reporting issuer’s most recent annual statement of income (for example, “for the year ended December 31, 20xx”).”.*
16. *Item 2.2 of Form 51-101F1 is replaced with*
- Item 2.2 Supplemental Disclosure of Reserves Data**
- The *reporting issuer* may supplement its disclosure of *reserves data* under Item 2.1 by also disclosing the components of Item 2.1, using prices and costs as determined in a manner consistent with the relevant *US oil and gas disclosure requirements*..
17. *Items 2.3 and 2.4 of Form 51-101F1 are amended by replacing “minority interest” wherever it occurs with “non-controlling interest”.*
18. *Instruction (3) of Item 2.4 of Form 51-101F1 is repealed.*
19. *Item 3.1 of Form 51-101F1 is amended by*
- (a) *in the title, deleting “Constant Prices Used in”, and*
- (b) *replacing “operates, as at the last day of the reporting issuer’s most recent financial year” with “operates as determined in a manner consistent with the relevant US oil and gas disclosure requirements”.*
20. *Instruction (2) of Item 3.2 of Form 51-101F1 is amended by deleting “term “constant prices and costs” and the” and replacing “include” with “includes”.*
21. *Item 5.2 of Form 51-101F1 is amended by*
- (a) *in the title, adding “Affecting Reserves Data” after “Uncertainties”,*
- (b) *replacing “important” with “significant”, and*
- (c) *in the Instruction, deleting “, the need to build a major pipeline or other major facility before production of reserves can begin,”.*
22. *Form 51-101F1 is amended by adding the following after Section 2 of Item 6.2*

**INSTRUCTION**

*If a **reporting issuer** holds interests in different formations under the same surface area pursuant to separate leases, disclose the method of calculating the **gross** and **net** area. For example, if the **reporting issuer** has included the area of each of its leases in its calculation of **net** area despite the fact that certain leases will pertain to the same surface area, disclose that fact. A general description of the method of calculating the area will suffice.*

**Item 6.2.1 Significant Factors or Uncertainties Relevant to Properties With No Attributed Reserves**

1. Identify and discuss significant economic factors or significant uncertainties that affect the anticipated development or production activities on *properties* with no attributed *reserves*.
2. Section 1 does not apply if the information is disclosed in the *reporting issuer's* financial statements for the financial year ended on the *effective date*.

**INSTRUCTION**

*Examples of information that could warrant disclosure under this Item 6.2.1 include unusually high expected **development costs** or **operating costs** or the need to build a major pipeline or other major facility before **production** can begin..*

23. **Section 2 of Item 6.3 of Form 51-101F1 is replaced with**
  2. Section 1 does not apply to agreements specifically disclosed by the *reporting issuer* in its financial statements for the financial year ended on the *effective date*..
24. **Paragraph 1(b) of Item 6.7 of Form 51-101F1 is amended by replacing “gas wells and service wells” with “gas wells, service wells and stratigraphic test wells”.**
25. **Paragraph 1(a) of Item 6.9 of Form 51-101F1 is amended by adding “gross” between “average” and “daily” and by deleting “, before deduction of royalties”.**
26. **Form 51-101F2 Report on Reserves Data by Independent Qualified Reserves Evaluator or Auditor is amended by this instrument.**
27. **Item 5 of Form 51-101F2 is amended by adding “, consistently applied” after “in accordance with the COGE Handbook”.**
28. **Item 7 of Form 51-101F2 is amended by deleting “However, any variations should be consistent with the fact that reserves are categorized according to the probability of their recovery.”.**
29. **Form 51-101F3 Report of Management and Directors on Oil and Gas Disclosure is amended by this instrument.**

30. *Form 51-101F3 is amended by*

(a) *deleting* “However, any variations should be consistent with the fact that reserves are categorized according to the probability of their recovery.”, *and*

(b) *replacing* “a senior officer” *with* “an executive officer”.

31. *National Instrument 51-101 is amended by adding the following Form*

**FORM 51-101F4  
NOTICE OF  
FILING OF 51-101F1 INFORMATION**

**This is the form referred to in section 2.2 of National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* (“NI 51-101”).**

On [date of SEDAR Filing], [name of reporting issuer] filed its reports under section 2.1 of NI 51-101, which can be found [describe where a copy of the filed information can be found for viewing by electronic means].

32. *This instrument comes into force on January 1, 2011.*