

## FARMOUT & ROYALTY PROCEDURE ELECTIONS AND AMENDMENTS

1. **Effective Date (Clause 1.01):** \_\_\_\_\_
2. **ORR Conversion Date (Clause 1.01):** If applies, \_\_\_\_\_ months after rig release and Alternate \_\_\_\_\_ (Specify 1 or 2).
3. **Volume Recovery (Clause 1.01):** If applies, \_\_\_\_\_ cubic meters of Equivalent Production.
4. **Incorporation Of Provisions From 2015 CAPL Operating Procedure (Clause 1.02):**
  - (a) Definition of Market Price: Optional sentence will \_\_\_\_\_/will not \_\_\_\_\_ apply.
  - (b) Subclause 3.11C (Insurance): Alternate \_\_\_\_\_ will apply (Specify (a) or (b))
  - (c) Clause 18.01 (Confidentiality Requirement): Optional sentence will \_\_\_\_\_/will not \_\_\_\_\_ apply.
5. **Evaluation Of Horizontal Leg (Paragraph 3.01D(b)):** Optional Paragraph will \_\_\_\_\_/will not \_\_\_\_\_ apply.
6. **Evaluation Of Test Well (Paragraph 3.01D(d)):** Optional Paragraph will \_\_\_\_\_/will not \_\_\_\_\_ apply.  
If applies: (i) \_\_\_\_\_ cumulative production days; and (ii) \_\_\_\_\_ cubic metres of Equivalent Production.
7. **Capping And Conditional Earning (Subclause 3.03D):** This optional Subclause will \_\_\_\_\_/will not \_\_\_\_\_ apply.
8. **Option Wells (Article 4.00):** This optional Article will \_\_\_\_\_/will not \_\_\_\_\_ apply.
9. **Overriding Royalty (Article 5.00):** This optional Article will \_\_\_\_\_/will not \_\_\_\_\_ apply.
10. **Quantification Of Overriding Royalty (Subclause 5.01A, if applicable):**
  - (a) For crude oil, Alternate \_\_\_\_\_ will apply (Specify 1 or 2).
    - If Alternate 1 applies: \_\_\_\_\_%.
    - If Alternate 2 applies, divided by \_\_\_\_\_ and not less than \_\_\_\_\_% or more than \_\_\_\_\_%.
  - (b) For all other Petroleum Substances, Alternate \_\_\_\_\_ will apply (Specify 1 or 2).
    - If Alternate 1 applies: \_\_\_\_\_%
    - If Alternate 2 applies: (i) \_\_\_\_\_%; and (ii) \_\_\_\_\_%.
11. **Definition Of Allocation Ratio (Subclause 5.03A):** Alternate \_\_\_\_\_ will apply (Specify 1 or 2).
12. **Royalty Payor's Allowed Deductions (Clause 5.05), if applicable:**
  - (a) Costs through First Point of Measurement (Subclause 5.05A): Alternate \_\_\_\_\_ will apply (Specify 1 or 2).
  - (b) Limitations On Deductions (Subclause 5.05C): Alternate(s) (Specify): (i) 1 only \_\_\_\_\_; (ii) 2 only \_\_\_\_\_; (iii) 3 only \_\_\_\_\_; (iv) 1, 2 and 3 \_\_\_\_\_; (v) other combination of more than one of 1, 2 and 3 (Specify) \_\_\_\_\_; or (vi) none of 1, 2 and 3 \_\_\_\_\_.
    - If Alternate 2 applies, deductions not greater than \_\_\_\_\_% of Market Price.
    - If Alternate 3 applies, deductions not greater than: \$ \_\_\_\_\_/10<sup>3</sup>m<sup>3</sup>.
13. **Conversion Of Overriding Royalty (Article 6.00):** This optional Article will \_\_\_\_\_/will not \_\_\_\_\_ apply.
14. **Operations After Conversion (Subclause 6.04A, if applicable):** A conversion will be to \_\_\_\_\_% of the Farmor's Pre-Earning Working Interest.
15. **Abandonment Obligation For Other Royalty Wells (Clause 7.05):** Alternate \_\_\_\_\_ (Specify 1 or 2) will apply.
16. **Area Of Mutual Interest (Article 8.00):** This optional Article will \_\_\_\_\_/will not \_\_\_\_\_ apply.
17. **Deferred Response To Notice (Subclause 8.04D):** This optional Subclause will \_\_\_\_\_/will not \_\_\_\_\_ apply.
18. **Well Information To Royalty Owner (Paragraph 9.03A(b)):** Alternate \_\_\_\_\_ will apply (Specify 1 or 2).
19. **Reimbursement Of Charges For Earning Phase (Clause 13.02):** Alternate \_\_\_\_\_ will apply (Specify 1, 2 or 3).  
If Alternate 2 applies, reimbursement of \$ \_\_\_\_\_.
20. **Dispute Resolution (Clause 15.01):** Article 21.00 of the CAPL Operating Procedure will \_\_\_\_\_/will not \_\_\_\_\_ apply.
21. **Restriction On Additional Drilling (Clause 18.02):** This optional Clause will \_\_\_\_\_/will not \_\_\_\_\_ apply.