

Industry Tip

Lease Continuance Reports

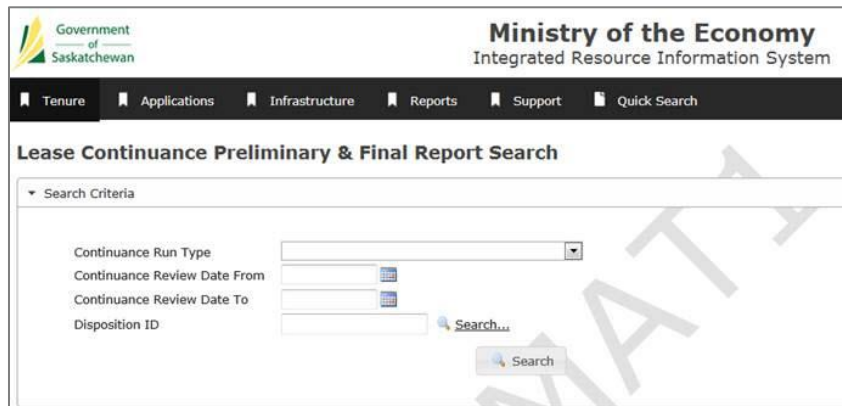
Date	Module/Application/Functionality	Notes
April 1, 2016	Petroleum Tenure	Initial release

Final lease continuance reports are now available in IRIS.

Getting Started

To access reports:

1. [Log into IRIS](#).
2. Select the 'Reports' tab, then click on 'Tenure Disposition'. Click 'Preliminary and Final' under the 'Lease Continuance' heading. This will open the 'Lease Continuance Preliminary & Final Report Search' screen.



3. For final reports, select 'Lease Continuance (Final)' in the 'Continuance Run Type' drop down menu. You can complete the additional parameters to narrow your search results, but if you click 'Search' at this point it will return all the reports for your Business Associate (BA) ID. The report will include all the leases you are either the lessee or the Confidential Designated Representative.
4. The report is available in both PDF and CSV (Microsoft Excel-friendly) formats.
5. Download and open the report to see lease continuance review results.

Interpreting Reports

The [Lease Continuance Review Guidelines](#) provide information on the reasons why a lease is or is not continued by Saskatchewan's Ministry of the Economy. The reasons remain the same from previous reviews, with one exception: the continuance reason of 'Drilling Operations' expands to a five-month period preceding the next review date. That means a lease continues in its entirety for one year for a well with a start drilling date between November 1 and March 31, inclusive.

The report header includes the following information:

LEASE NUMBER		Lease Type		Lease Owner(s)			
PN99999		Petroleum and Natural Gas Lease		33333 -- ABC PETROLEUM			
Current Rights				Continuance Level			
Lands	Substance	Top	Bottom	Continuing Bottom	<i>Bold</i> Indicates change from current rights	Reason	Pool Stratigraphic Unit
LSD-SEC-TWP-RGE-MER 99-999-99W9	Oil and Gas	Top Surface	Base Mannville Group	Base Mannville Group	Continued No Change	GP	Waseca Member

- Lease Number
- Lease Type
- Lease Owner
- Current Rights
 - Lands
 - Substance
 - Top
 - Bottom
- Continuance Level
 - Continuing Bottom
 - Change from current rights (indicated in bold)
 - Reason
 - Pool Stratigraphic Unit

The report's footer includes the 'Reason Codes' for continuance level, as described in the [Lease Continuance Review Guidelines](#):

Reason Codes: PT - Primary Term EX - Extended DO - Drilling Operations LI - Licensed Well P - Production SSP - Surveyed Section Production O - Offset UN - Unit HO - Heavy Oil GP - Gas Pool DU - Drainage Unit

- Primary Term (PT)
- Extended (EX)
- Drilling Operations (DO)
- Licensed Well (LI)
- Production (P)
- Surveyed Section Production (SSP)
- Offset (O)
- Unit (UN)

- Heavy Oil (HO)
- Gas Pool (GP)
- Drainage Unit (DU)

In some instances, where IRIS could not complete the review satisfactorily, you will see a status of 'Under Ministry Review' in the 'Change from current rights' column. Reasons for a Ministry review include:

- **Portions or fractional lands:** If lands at an area greater than one legal subdivision are being reverted back to the Crown, the Ministry must determine what lands are continued or removed from those identified as fractional or portions.
- **Concurrent production:** In situations where lands or rights within a section may be reverted to the Crown, and the completions of a non-abandoned well are flagged as Concurrent Production, the lease must be reviewed by the Ministry to identify the drainage unit for both oil and gas.
- **Missing continuance level:** The Ministry reviews leases if there is a stratigraphic unit associated with a pool that does not have a defined continuance level.
- **Missing pool:** The Ministry reviews leases if a well completion is not linked to a pool to identify an associated continuance level.
- **Incomplete transfer/surrender/amalgamation:** Ministry review is required if a transfer, surrender or amalgamation of a lease is not fully processed to a state of 'complete' within IRIS when the continuance process is run.
- **No pool zone found:** The Ministry will review leases where a stratigraphic unit associated with a pool is not populated.
- **Related offset – invalid stratigraphy:** On occasion, a pool may be expanded to include an offending wellbore completion. A change to the naming of the completed stratigraphic unit may have occurred as a result of the expansion. The Ministry will review to ensure the completed stratigraphic unit is correct.

Annual Rental Invoicing

Industry will be invoiced annual rentals based on the results of the lease continuance run.

Annual rental invoices are expected to be available on or about April 6, 2016. Invoices will be delivered to Confidential Designated Representatives in IRIS, and will not be mailed or emailed. To access invoices, Confidential Designated Representatives:

1. [Log into IRIS.](#)
2. Select the 'Reports' tab, then click on 'Invoices. Click 'Invoices' under the 'Search' heading.
3. In the 'Search' screen select 'Disposition Rental' in the 'Invoice Type' drop down menu.

Government of Saskatchewan

Ministry of the Economy
Integrated Resource Information System

Tenure Applications Infrastructure Reports Support Quick Search

Invoice Search

▼ Search Criteria

Invoice Number:

Invoice Date: From To (YYYY-MM-DD)

Invoice Type:

Search Invoices

Payment is required within 20 days of the invoice date through pre-authorized debit (PAD). For more information on setting up a PAD account with the Ministry, see the 'Tips for a Smooth Transition' on the [Annual Lease Continuance Process and Reports](#) page on www.saskatchewan.ca.

Questions?

If you have any questions about lease continuance, contact Petroleum Tenure Services at 1-844-787-8695 or petlands@gov.sk.ca.

For questions about invoice payment and setting up a PAD account with the Ministry, contact Energy and Resources Support at 1-844-213-1030 or er.support@gov.sk.ca.